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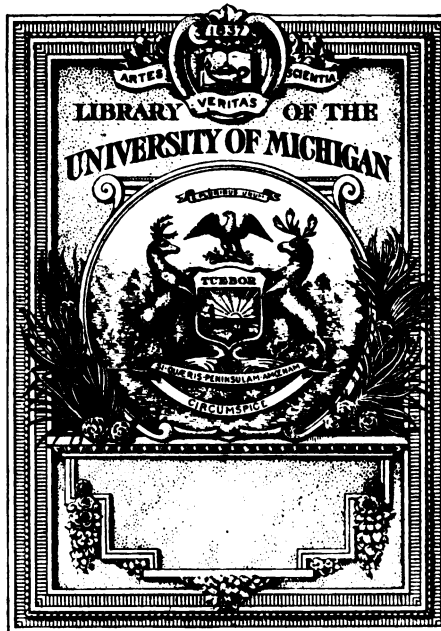
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HUMANIZING INDUSTRY

.. R.C.FELD ..





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BY
R. C. FELD



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PREFACE

SIR ROGER DE COVERLY, whenever a question of moment was propounded to him, used to say, "There is much to be said on both sides." The present industrial situation boils down to that. There *is* much to be said on both sides. Capital has been remiss in its dealings with labor; labor has been remiss in its dealings with capital. Both of them would have us believe that they are Simon-pure. Neither of them is.

Things, however, are happening in American industry to-day that it would be well for both the extreme labor agitator and the arbitrary employer to take cognizance of. The sound and successful industrial leaders of the country are in the van of a movement whose purpose it is to create a stronger spirit of coöperation between themselves and the men in their plants. This movement has sprung up spontaneously throughout the various industrial centers of the country. It is impossible to keep track of it, but it is there—alive, vibrant and vital. It is undirected and unharnessed, born entirely out of a desire for understanding of the mutual needs of all the factors in organizations and an appreciation that

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CHAPTER ONE

STRUTHERS ARRIVES

THE train stopped at the side of the uncared for, weatherbeaten and smoke begrimed shack that was called the station at Rawburn. One passenger got off; nobody got on and with a wild raucous shriek that might by a stretch of fancy have been interpreted into an insane laugh of derision, the two connected cars that made up the entire rolling stock of the Jimson County Railroad moved on. Peter Struthers watched them as they turned the corner, followed the smoke with his eyes until the last curling mist disappeared, then turned his gaze toward the street that stretched before him. Our English language is limited. There is no word that adequately describes the hundreds upon hundreds of similar shack-lined roads or alleys, highways or byways, that make up the social communities of some of our industrial towns or villages. The word "street" is used for lack of a truer. Insofar as this was a roadway with two

rows of houses facing each other across an area through which traffic might pass, this was a street.

A look of concern came into Struthers' eyes. He let his eyes rove over the scene before him. Scores of gray roofs monotonously alike, with nothing to change their depressing similarity of pattern but an occasional drunken chimney, met his gaze. The yawning holes made by the missing bricks leered out at him like toothless hags. Way and beyond these domestic chimneys loomed tall, dark, black-velveted smoke stacks that belched forth heavy folds of inky vapor. Those, without doubt, were the company buildings.

Struthers turned his feet in that direction. He walked along the single row of sagging pavement that separated the houses from the deeply lined mud of the gutter, carrying his grip in his hand. Before very long its ever-increasing weight began to tell on him and he took off his soft gray hat and began mopping his brow. A few yards ahead of him a woman stood aimlessly leaning on one of the posts of her house. Struthers walked up to her.

"Good morning," he began. "I have just con in from New York. I am going over to the offices the Rawburn Machine Company. I wonder if I know of a place where I can leave my grip. It's very heavy and the way seems rather long."

The woman looked at him in a half-interested ion. According to her estimation he was about

five. He was slender and not very tall. His rumpled hair was dark brown, his eyes, a nondescript gray. His clothes were clean but not especially good. As far as she could judge he was of her own class. The soft collar was familiar to her, so was the creaseless slouch in the trousers. Her lips responded to the questioning smile in Struthers' eyes.

"You've come for work, eh? Well, I don't know that there is any. I ain't got any room for any more boarders, but if you'll walk on down to the end of the street and turn into the third house on the right, I think maybe the Hurleys will take you in."

Struthers thanked her and went on. Before he had gone very far, he was halted by the woman's voice calling after him.

"You ain't a Swede, are you? Ben Hurley hates Swedes. Swedes and the Boss of the Works. Otherwise, he ain't bad."

Struthers walked on. He had not thought of putting up at the village in his original plans. The feasibility of it, however, appealed to him. He thought he could overrule any objection that the man whom he was going to see might have. An amused light came into his eyes. He wondered whether Mrs. Hurley, the wife of Ben Hurley who hated Swedes and the Boss, could put him up. He followed the directions given him and came to the house he was looking for. Externally it was the same as the scores of houses he had passed on the way—gray; crude;

ugly in its useful outlines; pitiful in its open display of having been made to order on a general pattern that must have been worn thin in the constant repetition of its use.

Struthers knocked on the door. He waited a few seconds. There was no response. He knocked again. This time he heard a soft padding coming in his direction. The latch was drawn and a woman's anxious face peered out at him through the space made by the length of the chain that held the door open but which made admittance impossible. The face was that of a woman of about forty and comely. Struthers looked into the room as far as he could see through the limited passage. The room though poor and threadbare appeared clean. Struthers smiled with a smile that started from his eyes. The man didn't know it but that smile was one of his strongest assets. The utter honesty and good cheer that radiated from it served to disarm the woman. She smiled back at him.

"I was told you might be able to put me up," he began. "I have just come in from New York and am on my way to the Works. It's very heavy carrying this load and if you would let me leave it here I'd be very grateful to you. And, by the way, I'm a Swede."

The woman smiled in answer.

"You say you are going to the Works. And

come from New York. Well now, that's funny. Seems to me a person wouldn't want to come here from nowheres, especially from New York. I guess you must have been pretty hard up. Well, you ain't no worse off than we are, so that's all right. We know what it means to be hard up, so I guess we can help somebody who's in the same boat. What did you say your name was?"

"Peter Struthers."

The woman unhooked the latch and made room for Struthers to come in.

"You see, there are so many different kinds of people here and they speak so many languages that Ben likes me to have the door shut all the time. He thinks it's safe. I don't know. It seems to me there ain't anything much in here that anybody might want."

While she was speaking she led him into a room that connected with the sitting room. It was a little bedroom with nothing but a bed and a chair in it. On the walls were some hooks. There were no closets of any kind. One narrow window, neatly curtained, looked on a dingy back yard that connected with another back yard equally dingy belonging to the next house. A few scraggly plants were trying to raise their sooty heads out from the sandy soil.

Struthers turned to Mrs. Hurley.

"How much will it be?"

"Two dollars a week for the room without meals;

five dollars with meals. If you ain't got any money now, I can wait until after your first week. I guess you're all right."

Struthers thanked her, took out his pocketbook and deposited a five-dollar bill with her. The suitcase was reposing on the floor. As he turned to leave the room his eye fell on it.

"Where do I put this? Is there a closet or anything?"

Mrs. Hurley laughed, a bitter little laugh.

"No, there ain't no closets or anything. We put those under the beds."

Struthers did as he was told. He went into the kitchen and washed his face and hands. Then continued on his way to the Works.

He soon left the village behind him. Before stood the massed rows of buildings that constituted the Rawburn Machine Works. They looked like caterpillars stretched out at full length, low and smoldering with possibilities of growth.

"Like caterpillars," the thought went through Struthers' brain, "like caterpillars, low, crawling but with power to grow into something so big and beautiful. Like a caterpillar hugging the ground until it gains the power and the knowledge to raise itself into the air and sunshine of the old Hardwick! Monarch of all he surveys what a survey!"

Struthers walked on, intently observing, all his senses alive to the sound and sight of industry at work. He passed from building to building, scanning the doorways of the different shops until he came to the one marked "Office." He turned the handle and walked in. The room was roughly whitewashed. In a corner at a desk sat a man bent over a few sheets of foolscap. Struthers coughed. The man looked up.

"Building across the street for jobs," he called out. Without waiting for a reply he turned again to his work. Struthers looked at him in amusement for a moment. The man was unaware of the scrutiny. Struthers cleared his voice. The sound of it made the man start.

"Good heavens, you gave me a scare. I thought you were gone. I told you it was the house across the street. We can't do nothing for you here. See?"

Struthers nodded his head in affirmation.

"I understand. It's the house across the street where I am to go to for work. But I want something else first. I want to speak to Mr. Hardwick. And you're to go and tell him that I want to speak to him. See?" Struthers good-naturedly mimicked the intonation of the other man's closing inflection. There was a sound of authority with a certain amount of goodfellowship in his voice that was not to be denied. The man rose slowly.

"People that come to see Mr. Hardwick make appointments and have cards. If you've made an

appointment or have a card, I'll be glad to go into his office and tell him you are here. You understand, sir, that we can't have everybody running in and out and disturbing him."

Struthers smiled.

"I understand perfectly. But, suppose I ask you to take a chance on me and go into Mr. Hardwick's office and tell him that Mr. Peter Struthers of New York has arrived. I think he will see me. We have some mutual friends and interests."

The man looked up with a look of interest.

"Did you say Mr. Peter Struthers, sir?"

Struthers nodded.

"I beg your pardon, sir, for keeping you waiting, but I didn't know. We didn't expect you until tomorrow. Have you a car, sir, or baggage or anything to be taken care of? I'll attend to it immediately if you'll tell me."

"I have nothing. That is, nothing but a small valise of which I have already disposed. I have no car and no baggage to speak of. And now, will you kindly tell Mr. Hardwick that I am here?"

The man quickly disappeared through the door leading into the inner chamber and in a short while emerged and motioned for Struthers to enter.

A man of his own age rose to greet him.

"Struthers, old man." Their hands met in a firm grip. They stood silently for a few seconds, then Stephen Hardwick motioned Struthers to a chair.

Struthers looked at the face opposite him. It was not that of the man from whom he had parted five years ago. It was harder, older, more careworn, tired and very bitter. The hardness and the bitterness were the most striking features. The men talked of non-essentials for a few minutes. Then Struthers steered the subject around to the one that was uppermost in their minds.

"How goes it, Stephen? How does it feel being the owner of all this wealth and all this industry? How does it feel being 'the responsible head of a plant that employs over one thousand people'? Your father used to be very proud of making that assertion."

"My father, yes," Hardwick replied. "Things were different in his time. When a man owned a plant of this sort he owned it. It meant something to him. He could mold it and shape it according to his own likes and dislikes. He could run it when he liked, as he liked, and by whom he liked. He could give an order and feel confident that it would be obeyed irrespective of whether it suited the whims or the tastes or the hours of the men it concerned. It had to suit. That was all. He was the owner—the men were responsible to him for their livelihood, for their homes, for their happiness, for everything, and they knew it. There was a distinct line of demarkation between the two. The employee could go so far and no further. And——"

Struthers interrupted him.

"And the employer could go all the way and some more. What, Hardwick?"

Hardwick snorted.

"Bah, you make me sick. You and your theories. You have always had this queer streak in you. You always talked about the lack of understanding between people. I tell you there can't be any understanding between people so utterly and totally opposed to each other as these, my people, and I are. My people! My people! Tommyrot. They are no more my people than I am the Czar of Russia."

Struthers smiled.

"There's where you've hit the nail on the head. By your comparison, I mean. They are no more your people than you are the Czar of Russia. The Czar of Russia is something that is obsolete. So is the sort of relationship that existed between your father or your grandfather and the people who worked for him. A new relationship has sprung up. A better relationship, if you please. A relationship that is not one of damning paternalism and all the evils it can imply and, in a good many instances, did imply but one of coöperation and understanding between two factors in industry which need not and should not be what you are pleased to call them, 'oppos. I tell you, Hardwick, you have got to understand they are humans just as you are a human and you've got to reach them through the qualities

make them human and not those that make them cogs in a wheel.

"You say that in the time of your father things were not in the state that they are in to-day. Of course not. If you want to, you can go back one step further and say that in the time of your grandfather things were even more satisfactory, from your point of view, if you please, than they are to-day. But Hardwick, man, you forget that we are going ahead, that little by little the world is becoming a better and a finer place, and that the sporadic attempts at raising the plane of existence of the kind of people who are working for you and for the numberless men like you are indications of the natural evolution of the true relationship in industry. This world is a heavy old body and true to the letter of the old saw that big bodies move slowly, any progress it makes along any line must necessarily be slow. Some people are clear-sighted and they see the signs long before the rest of us do; others are slower to understand that we are moving ahead and getting on a bit further in this game that we call civilization and they have to be pushed and prodded and given strong lensed glasses to see conditions as they are and to appreciate that we have put another milestone behind us. I tell you it is good to see these milestones of progress disappearing behind you and good to see the new ones shining ahead of you. And it is fine and wonderful to

Their ability and intelligence and powers! God save the mark! Do you know what I have been getting in the way of ability and intelligence and power? Do you know? Of course, you don't, else you would not speak as you do. Substitute cowardice, stupidity and stubbornness for those idealistic terms of yours and you'll come nearer the truth. What have I been getting in the way of service for which I pay? Strikes, walkouts, threats to leave, to destroy machinery, to destroy me, if you will, unless I accede to their demands. And what demands? It would make my father turn in his grave if he knew the state things were in at the present time. I tell you, man, and give heed to these words, I hate them every one of them as they every one of them hate me. I employ them because they mean the gaining of the things that mean life to me as they work for me because it means the possibility of life for them. It is an open contract with no love lost in it. For value received, and nothing more.

"You go out to my working people, gather them in one of the public squares, talk to them in the spell-binding way that you have, tell them that I have an important contract to fill and that if they walk out to-morrow they can force me to give them an increase in wages, even though that increase would eventually mean the ruin of the business and the ruin of the industry that is the means of livelihood to them, and I tell you, it will be the unusual man who will not

form in line with you. Where is the intelligence in that? Where is the coöperation in that? Where is the good business sense in that? Just as long as mén are what they are, impelled by no other desire than the one of gouging, gouging, gouging, there can be no running in harness, there can be no pulling together.

"I tell you, Struthers, I would give a good deal in my life to feel that some few of those men out there in the shops and in the factories would in the face of such a situation as I pictured stand with me and with the industry. But they wouldn't, they wouldn't. Why? Because they hate me and anything they can do to ruin me up to the point of completely ruining themselves, they will do.

"Bah, what's the use of it all? What is the use of it? I hate the bicker, I hate the squabbles, I hate the bargaining and bandying. I'm a tired man, Struthers, a very tired man. And a very sick man. Mentally and emotionally sick. I wanted to do big things. I wanted to make the thing grow. I wanted to be able to say not as my father said that he had one thousand men, but that I have two thousand men working for me. What have I instead? I do the same things as my father did, use the same methods, give better wages and what do I get? Nothing that is satisfactory, and God, how much that is soul-sickening and mind-harrowing."

The man paused for a moment, then went on in a

lower voice. "They hate me, Struthers, and I wish, how I wish, they didn't. But they do and for no other reason but the one that I am their employer and they are my employees and there you are."

Hardwick flung himself out of his chair and began pacing the floor. The eyes of the man at the table followed him. There was deep sympathy there and deep understanding.

"Hardwick," he began, "I am going to talk to you straight from the shoulder. Straight, Hardwick. Why in the name of anything that you call sacred, should they love you? What besides giving them the bare necessities of life have you done for them? By your own confession you have done nothing but what your father has done. You call it everything that your father has done. There is a slight difference in phrasing, but a mighty big difference in meaning. You say you hoped to be able to say some day that you employed not one thousand men but two thousand men. If you had made your aim instead, the one of employing one thousand happy men in a healthful, sanitary community you might more quickly perhaps have attained some measure of satisfaction and happiness yourself. What's more, you might have reached the goal of the two thousand. However, that was not your way. Instead of going ahead and starting from where your father left off, you retraced his steps and used the methods and machinery that his dead body left behind him. Those methods and

machinery are outworn and outgrown at this date. You have got to inject new life and a new spirit into this plant if you are to make it any source of happiness to you. You have got to substitute new methods for old; successful methods for unsuccessful ones.

"You called me several uncomplimentary things. Never mind. That is one of the privileges of friendship. It's all right. No ill feeling. Some day, I hope to be able to reciprocate. However, that is not the point. You asked me to come out here. I take it you did so because of some faith in my abilities. Perhaps you are thinking now that you were mistaken. I trust you won't be. I have seen sicker men than you, and more discouraged men than you. What's more, I have seen sicker plants than yours and I hope you will admit that yours is a sick plant. I have tried my hand at a bit of doctoring, Hardwick, and sometimes I have succeeded. I should like to try my hand at doctoring you and this place that you call your own. Will you or won't you let me do it?"

Hardwick stroked his chin. His eyes rested on the desk in front of him. Finally he spoke.

"It's not a matter of will I or will I not let you do it, Struthers. Thompson, the oil man, spoke well of you to me. He said you were sane. And had business sense. To be quite frank, I don't see it. When he mentioned your name and I found it was my old friend, for we are friends, Struthers, irrespective of our clashing points of view, I decided to get in touch

with you and ask you to come to see me. You are here, Struthers, and you speak of coöperation and running in harness. I want something more than talk. I want to be successful, I want to see this plant put on a sane paying business basis. I don't want to be unkind, Struthers, but are you the man to talk sane business sense? Are you a man who knows anything about sane business methods?"

Struthers laughed.

"You're very frank, Hardwick, and I like you for it. I have always liked you for it. I am here and I am going to stay. I am going to suggest changes, lots of them, to you. Don't get frightened. I shall not suggest a single change whose value I shall not be able to prove by its having been incorporated by highly successful business establishments of the kind that you might be proud to direct. That's fair, isn't it? I told you that there were men in American industry who could look ahead along the road of industrial progress and inculcate and inaugurate reforms that marked the milestones in the evolution of the humanization of industry. I shall give you specific instances of the success of these reforms from a business standpoint. I shall not talk theory but shall show you what has been done. You can accept or reject, as you please. That's fair, isn't it?"

Hardwick smiled.

"You dreamer, you," he said. "Do you mean to

face me here and tell me that there are successful business men who are full of your wild-eyed theories and who have put them in their plants and found them to work out successfully. Don't be an ass, Struthers, it can't be done. I know because I am acquainted with the material with which you intend to work. However, I shall not condemn a thing before I have given it a fair hearing. But remember, it's sanity I demand, sanity in business methods and no milk-and-water coddling and kowtowing to the men who are working for me. That's understood, isn't it?" Struthers nodded. "Very well, we'll call it a bargain."

The men shook hands over it. Hardwick lit a cigar. He motioned Struthers to take one. Struthers pulled out his pipe instead. Hardwick laughed.

"Same old smell-box. Why don't you stow it, Struthers, and smoke a regular smoke? Oh, by the way, of course, you'll put up with me."

"Sorry, Hardwick, but can't be done. I thought I should originally, but I changed my mind when I got into town. I want to get at this in my own way. My own fool way, if you please. No, I've taken a room with the Hurleys. And I'm going to take a job in the shops."

Hardwick's face clouded. He frowned deeply.

"Of all fool things. And of all fool places. Why any sane man should choose to live in the Dumps

when he can have a clean room and a private bath is beyond my comprehension. Don't be an ass, Struthers. You come along home with me."

Struthers shook his head.

"No, I guess it's the Dumps for me. By the way, is that what they call that section of the town? It's rather descriptive of it. No offense meant, Hardwick. But it is the Dumps, isn't it?"

"Well, what did you expect? You didn't imagine that these people would be living in palaces and rolling around in limousines. Oh, come now, be sensible, for heaven's sake. Those shacks down there have been put up for years, they are comfortable, that is, as comfortable as the people who live in them can expect to have them. They don't pay very much for them and the fact that they are out of repair is their lookout. It just proves my contention that you cannot judge them on the basis that you would have them rise up to. However, don't let's start that all over again. There will be time and enough for that.

"Did you say you were going to stay with the Hurleys?" he continued. "Queer, your having landed there. Hurley is one of the most difficult men to deal with. He's foreman of the drill shops. The men like him, he turns out good work, but he's as sullen as a Russian and as stubborn as a mule. Hurley and I have had one or two talks. He eventually saw things my way, but it hasn't made him any pleasanter. Going to work under him, are you?"

"Might as well be there as any other place," Struthers replied. "I'll be going along now. By the way—your old friend outside. You'll tell him that I am just as broke as he seemed to think I looked and that you gave me a job for old time's sake. What do you say? I'll probably drop in on you some day next week. I suppose you're here for a while after the shops close. Good."

The men shook hands again and Struthers left. He paused for a moment as he reached the street.

"Poor old Hardwick. Poor old Hardwick," he ruminated. "The pity of that confession and yet the hope in it. 'They hate me, Struthers, and I wish, how I wish, they didn't.'"

CHAPTER TWO

BEN HURLEY

It was after the evening meal at the Hurleys'. Mrs. Hurley was washing the dishes at the sink built in at one side of the room which served in the double capacity of kitchen and dining room. Hurley sat at one end of the table reading a paper. At the other end sat Struthers, smoking a pipe. He gazed at the face opposite him contemplatively. It was not a bad face nor a weak face. There was, moreover, a cast of line about it that was strangely familiar to Struthers. He puffed hard at his pipe trying to recall where he had but recently seen that same groove of bitterness around the mouth, that same hard look of being pitted against a force that was trying the granite in him. There was no doubting the presence of granite. The whole make-up and the set of the man proclaimed its existence. Struthers wrinkled his brow. Where had he seen that same facial expression, that same hard virility, that same attitude of standing against the wall, unwilling to give or take favor?

Suddenly he started. He had it. Hardwick, of course. Hardwick and Hurley. Hardwick the man

who refused to believe that America was well on the way toward a newer, saner, more constructive epoch in industry, and Hurley, who dimly aware of the new forces in industry was straining at the yoke in a manner which might eventually break it but which would break him as well. Fundamentally, the two were alike in their stubborn resistance to each other, their refusal to see each other's points of view, their bitter coddling of their misunderstandings which nourished the roots of their antagonism.

Struthers had been working under Hurley for five days and had had ample opportunity to study him as well as the conditions under which the men labored. Conditions in the shops were bad; the eye of a novice could see that. But that was of minor importance to Struthers as compared with the conditions of the men's brains. Men like Hurley, for instance. The shop could be changed, that was purely physical, but could Hurley be changed? And could Hardwick be changed? And would new conditions in the shop help to create the change? Would the physical environment have an effect upon the mental attitude?

Struthers' mind went on searching, questioning, delving. Here was Hardwick, his friend, an exponent of what the world was pleased to call capitalism. Here was Hurley, whom he hoped to make his friend, the exponent of labor. Here he was, Struthers, full of the faith of the possibility, nay more, the need of having these opposite factors meet in order that

American life and American industry might prosper. Was that faith based on hopes and dreams alone? No. Ten thousand times no. One by one the numerous examples of the progressive elements, the humanizing elements in industry, that he had seen successfully carried out passed before his mind's eye. According to the statistics of the government's Labor Bureau alone, and those statistics did not cover every phase of industrial betterment work nor every attempt on the part of the employer and his employees to get closer together in a better and a richer understanding, there were some fifteen hundred representatives of industry in the United States who had inaugurated industrial improvements of various sorts. All these were on the road and although they had not covered all of it, they had passed some of the milestones. The passing of milestones, these were the American methods of changing conditions. Construction instead of destruction. That was the thing.

But that resemblance between Hurley and Hardwick. That was amusing. Very. Struthers chuckled aloud. Hurley looked up and met his gaze. The look was not unfriendly.

"What's the joke, Struthers? Pass it on. A joke doesn't go half bad these days."

"Oh, nothing much. I was just thinking of the general cussedness of human nature and the general likeness of human nature. I was thinking of you and Hardwick and——"

"Stop thinking of me and Mr. Hardwick. It'll be doing me a favor if you will. I've got to work for him. That can't be helped. But I don't have to think him, live him and talk him, do I?" He stopped, then laughed shortly and bitterly. "I don't have to, but hang it, I do. I do, Struthers, and it isn't good for me and it isn't good for him. I hate him, and what's more, I'm beginning to hate myself for standing for the things that he forces down upon me and the men."

Hurley's voice was low and well modulated. Strangely enough, there was no passion or excitement behind the words. They were spoken calmly, quietly and conclusively. Struthers looked up in interest. There was a deep sincerity and strength behind the words that could not be denied. He waited for Hurley to go on. Instead Hurley rose. He stood staring down intently at Struthers. Struthers met his gaze. Finally Hurley spoke.

"I can't talk in a house, Struthers. I can't talk across a table when I see your face watching me and waiting for the things I'm going to say. It makes me feel like a kid reciting a poem. But I'd like to talk with you. You're no fool. What do you say to walking out a bit? It's all right if you don't want to go, but I'd be obliged to you if you did. Once in a while a man likes to get a few things off his chest."

Struthers got up and the two men went out together. For a long time neither of them said any-

thing. Struthers was afraid to speak for fear of saying the wrong thing. Hurley was silent because of the things that were struggling to be said, but for which he could find no words. They had reached the factory buildings before Hurley spoke.

"Here we are. The factory buildings. The factory buildings of your friend. Stephen Hardwick. Fine friend, great friend, isn't he? He expected to find you a rich and prosperous man, was going to have you live with him for a while, but you were poor and broke so he gave you a job as a cheap mechanic. Burke told me. He told me how he heard you talking and arguing and how you finally came out and went over to the employment office to get a job. Anybody with half an eye can see you're too good for the job, but friend Hardwick doesn't see it that way. No, sir, when a feller's broke, then friendship go hang. That's Hardwick's code of morals."

Struthers interrupted him.

"I don't think you understand, Hurley."

"No, of course, I don't. I can understand, though, your saying this. You're all right, Struthers, and I like you. You're no yawling baby. But let me tell you that Hardwick is due for a fall one of these days. He can't go on this way forever. He can't go on using his high-handed methods very much longer. The man in the shops is being educated to what is his by right and one of these days, Struthers, he's going to kick up such a row that your Hardwicks and the men

like him are going to go up in smoke. And nobody will miss them. Nobody. We'll run things our way for a change."

"What is your way, Hurley? What exactly are you going to do?"

"That will come later. First, we'll get rid of these monsters that suck the lifeblood out of us, that squeeze us so hard that every bit of human joy is choked out of us, and then, well, we'll see what we'll do."

Struthers smiled.

"Hurley, you sound like a page out of an I. W. W. text-book."

Hurley colored under the words.

"Well, what if I do? Is there any other text-book that sees our end of the bargain? Is there any other text-book that dares to tell of things as they are and where they are? Is there any other text-book that puts into words the things you want to do, the things that come into your brain like nightmares during your waking and sleeping hours? I tell you, they've got it straight, Struthers, and it's up to us to see them through."

"See them through what?"

"Overthrow of conditions as they are."

"And then, what? Exactly what? What will you do here in this plant after you have destroyed Hardwick and the buildings and the machinery and everything? What exactly will you do? How will you

go about building up new things, new buildings, new conditions? What specific changes do you intend to make? What new features are you going to introduce? What new arrangement are you going to inaugurate? Who will direct and who will work? How will you direct and how will you work? Tell me, Hurley, tell me these things."

"Those will come later," was the answer. "I don't know yet how they will work out, but I do know that we need a change and need it badly."

"I agree with you there, entirely. But the change will not and need not come in the manner in which you describe. If it does, then heaven help you, Hurley, and heaven help Hardwick as well. Hurley, you are an American, are you not?"

"I am, five generations back."

"Very good. You will understand what I have to say all the better. You have for some time been feeling that the conditions under which you and your men have to work are unsatisfactory. It is more than a question of wages, isn't it? It's general dissatisfaction with conditions as they are and a desire for change. Very well. But there is no point in creating a change just for the purpose of change alone. A change is worth something when you substitute a good thing for a bad thing, but when you have no substitute to offer, then you would do well to hold on to the thing that, unsatisfactory as it is, serves to bring some definite results. There is no point in

destroying things without practicable plans of building them up. I say practicable, with reason.

“You have been reading and listening to theorists and fanatics who are suffering from fancied wrongs. Oh, I know, I know, that you have definite and real causes to desire changes here, but they are not what these people would make you believe they are. These people are suffering from wrongs, but they are not the wrongs of American life and American institutions. They are the remembered wrongs of a régime and a system that are foreign to our existence.

“Let me be more explicit. In spite of the many statements to the contrary, the people who are the guiding forces of this class-consciousness movement are not Americans. A good many of them are Russians. I repeat they have cause or, rather, had cause to rebel against the conditions of life under which they were forced to exist. A good many of these leaders are men and women who personally had suffered under the rule of the iron heel of autocracy. Many of them had taken part in the Revolution of 1905. Many of them had lived in the prisons of Russia. Many of them had suffered the miseries of Siberia. Many of them had felt what it means to be barred from an education when every fiber and breath of the body had called for a chance to develop the minds with which they were endowed. Good minds, too, Hurley. Brilliant minds. The kind of minds that under more favorable conditions would have made

them the forerunners of progressive thought and life in their country.

"But conditions were not favorable and what happened? They banded themselves together and wrote a hymn of hate that was more deadly than anything the world has ever known, a hymn of hate of destruction and dissolution of everything that spelled bondage to them. Mark my words, Hurley, I am not condemning them on that score. That hymn of hate was inspired by wrongs and sufferings the like of which we here have no conception. As far as they were able they were paying in the same sort of coin that they had received. Again I say, I have no quarrel with them on that score. Don't for a moment imagine that I am of the belief that the humble attitude is the right attitude and that the individual should allow himself to be submerged under forces greater than himself without making an effort to clear himself of them.

"Those men and women were suffering there for lack of political freedom, religious freedom, educational freedom. Their minds as well as their bodies were not their own. Under those circumstances they were justified in using the methods they did use. None other would have been understood in that country. None other were within their reach.

"Things came to a pass where they decided that leaving the country was the best and the safest thing to do. 'Discretion is the better part of valor' and

under some conditions it is the wiser course to run than to stay and suffer the penalties of representing a cause that is lost. Especially when you can be of greater good alive than dead.

"A good many of them came here. They had heard of the land of freedom and wanted to make it their own. They pictured it as a modern Utopia. Now, Hurley, I am talking to you as a man of sense and sanity. There is no modern Utopia. The world is made up of human beings. Some of them are more progressive than others. Some of them are finer than others. Some of them have younger traditions than others. The last, by the way, is the biggest asset a country can have. We have that asset. Because we are the youngest country in the world we have the power to take the biggest steps in progress. Very often we don't take them, it is true, but that is not because we do not think of them and do not want them. That is due to the fact that we are human beings, the same sort of beings that people the entire earth, open to the same mistakes, the same stupidities, the same drawbacks, and the same reactions. The big thing to remember is that we started out well, with a clean bill of health and a good program of freedom of life, liberty and action. We have gone ahead following that program just as far as it is possible for blind uncoordinated human beings to go. And every nation is made up of blind uncoordinated human beings. And every nation will be unco-

alive, every time I have spoken to that man about anything in the shops, it was to be told that he was running things in his own place as he saw fit and if the men didn't like it they could walk out."

"Very true. That sounds exactly like Hardwick. But, Hurley, have you ever gone to him for any reason other than the one that unless he does so and so, the men will quit? Have you ever approached him without a bludgeon of some sort in your hand? Without a threat of closing up the shops, I mean. I know it isn't your fault, that you are merely the spokesman for the men in the factory, but Hurley, have you ever been the spokesman for something that I call 'constructive?' Have you ever gone to him and suggested necessary changes purely on the basis of shop efficiency?"

"No, I haven't," Hurley admitted. "The less I have to go to him the better I like it. Besides, what value would he put on any suggestion of mine? You see, his kind and my kind are on opposite sides of the fence. His kind have always had a mutual sort of union among themselves. There are so few of them compared to us that they can work together without actually coming together. Besides, they were educated to the need of standing together for the good of their own welfare.

"In the case of the workman this class consciousness has naturally been of slow growth. There are so many of us, you see. So many of so many different

varieties and nationalities and languages. But we are fast getting there and when we do, let me tell you, things will be different."

"Things will be different but how different?" Struthers broke in. "I understand fully and appreciate the need of concerted and concentrated effort. But, Hurley, direct that effort in the proper channel. I once knew a very clever newspaperman who used to say that what the world needed was not class consciousness but social consciousness. What is the difference between the two, you ask? This, that class consciousness means a straining against human forces, whereas social consciousness means a working *toward* and *with* coöperating human forces.

"The point of the matter is that we have no classes here in America and that the term 'class consciousness' is a misnomer. It is something that has been grafted upon us by the same people who have wrongly seen all the evils of the whole world duplicated in our industrial life. A man's son in this country does not necessarily follow the same line of work that his father follows. He does not have to depend upon his father to teach him the trade that will gain him his livelihood. He can branch out for himself and follow his natural bent. He need not remain in the station in which he was born.

"It's this feeling of class consciousness, however, that will serve to keep him there. It's this hatred of everything that means control that will foster the

contention when telling the story, that he had followed the letter of the purpose of the collection by sending it to a war sufferer of the highest type.

"Maybe he had. But if he or his kind had gotten hold of such a story in relation to one of the captains of industry, what do you think he would have made of it? What about the talk of robbery and pillage and swindle that you would have heard? What about the oppression of the poor and the embezzlement of funds? What about the need of standing together to overthrow the yoke of bondage? Tell me, is swindle by your own class any more commendable than swindle by the class for whom you are working? I am using the term 'class' in the manner in which you do. You understand what I mean. I don't see it that way at all. Any right or wrong that is done is not done by one class against another but by one human being against another. We are all of the same mold underneath the surface."

Hurley interrupted him.

"Hold on a minute, will you? Hold on. You are damning the whole lot of these people by telling me of your experience with one of them. That doesn't seem to hold water to me."

"Maybe it doesn't. No more does your contention hold water that all people who employ men are slave-drivers and labor exploiters who squeeze you so dry that every bit of human joy is choked out of you. That was the statement that you made, wasn't it?

Or something like it. On what are you basing your judgments? How many-men of this type have you known? You call Hardwick one. I don't know that he is. Hardwick is fundamentally sound. So I think are a good many others like him. What they need is what you and your kind need—a better understanding of conditions as they are. An understanding of the finer and more progressive phases of industry as well as the poorer and the more backward.

"It's a matter of ignorance on both sides," Struthers continued. "Ignorance on the side of Hardwick who doesn't know or refuses to know that many of the successful business men of to-day are running their plants on a new basis of kinship and coöperation with the men they employ, and ignorance on your part of the possibility of the existence of such a state of affairs without first undermining and destroying the complete structure of industry. To my mind it is a case of the pot calling the kettle black. To my mind you are both pretty black. Ignorance always is."

Hurley's face grew set. His jaw squared. Struthers heard the click of his teeth and felt that he had gone too far. The tone of Hurley's voice when he spoke convinced him. It was thick with anger.

"That's where you've said something true. Ignorance always is black. And whose fault is it that we are ignorant? Whose fault, I ask you? Hardwick's and the men like him. Hardwick, who pushed our fathers so hard against the wall, that learning of

anything but a trade wasn't to be thought of. Do you think that being a foreman of a drill shop is the thing I want to be? Do you think that living in this God-forsaken hole is the place that I should have chosen if I could have helped it? Do you think that it makes me any happier to always have to fight, fight, fight? But I'm going to, Struthers, I'm going to, until either Hardwick or I am beaten."

Struthers put his hand on Hurley's arm.

"I'm with you there, Hurley. I'm with you there with one little difference. I'm going to fight until both Hardwick and you are beaten. And I'm going to fight hard, just as hard as both of you are. But I am going to fight with different weapons. I am not going to threaten you or Hardwick. I am not going to talk of strikes or cuts in wages. I am going to present facts on the one hand and constructive change on the other. Those are the only things that will convince either of you."

"You think Hardwick will listen to you, do you? After he gave you the show-down he did?"

"Come, come, Hurley, Hardwick gave me no show-down. The fact that he let me work in his factory is all the more to his credit. What would you have thought of him and of me, if I, an able-bodied man, capable of taking care of myself, would have been content to live off the bounty of his hand? You doubtless would have made it another grievance against him. You doubtless would have called me a para-

site. You might have been right in a measure, in both instances. Personally, I think it is none of your business how Hardwick manages his personal affairs. I think you will agree with me there, but nevertheless, I'll wager it would have made food for talk and thought to you. What?"

"Oh, I don't know," came back the brief reply. There was silence for several moments. Hurley broke it.

"I say, Struthers, I'm going to be straight from the shoulder with you. You are working in my shop and living in my home. I have a right to know. Are you with us or are you—we'll call it acting for Hardwick?"

"You mean spying, don't you? I'm not. Be assured of that. As for being with you, I am, just as far as you are sane. After that, you have got to be with me."

"What do you intend doing?"

"Make Rawburn a happy industrial community."

"Ha! How the Hell are you going to do that? I beg your pardon, Struthers, but how are you?"

"'How the Hell' is all right. And don't beg my pardon for it. But it's going to be done. With your help and Hardwick's."

Hurley turned about and faced Struthers. He looked at him for several seconds. Then he laughed.

"You babe in the wood, you poor little babe in the wood. Don't you know any better than that? Don't

you know any better? Hardwick and me. I like that. Hardwick and me are on two different sides of the fence and we stay there. He isn't the kind of a man that teeters about on the fence and I'm not the kind of a man who can do that stunt. We both stand on firm ground and that ground is definitely divided. You get me?"

"Yes, I get you, Hurley. And what you say about that fence is very true. Except that neither you nor Hardwick will have to do any teetering, for there won't be any fence to teeter on."

"There won't be any fence to teeter on!" Hurley repeated. "Bah! Come home, Struthers, your brain needs a rest. Heavens knows it needs exercise after a day on the drill presses, but you've had more than enough and you're talking wild."

They turned about and walked silently home, each in deep thought. At the door Hurley stopped.

"There's one thing I want to say, Struthers. You mean well and you have a fine faith, but let me tell you something. There will always be a nigger in the woodpile in anything that Hardwick does. Take that from me. Good night."

"Good night."

Struthers went into his room and closed the door. He sat down on his bed and lit his pipe. His eyes were fixed unseeingly on the wall before him.

Hurley and Hardwick. What mighty forces they represented and what sources of strength they were

if properly directed. But they weren't properly directed. Hurley had said it. They were both on different sides of the fence. And neither of them was the kind of man who could teeter about undecidedly. Therein lay the resemblance between them that he had noticed early that evening. Both came out boldly and fought in the open. For a moment Struthers wondered what it was in Hurley that made Hardwick keep him in spite of the constant clashes of antagonism between the two. But that was like the Hardwick of the old days. He had always liked a good fight with the chances even.

"There will be a nigger in the woodpile in anything that Hardwick does," Hurley had said. That was untrue. Struthers knew it. Hardwick wasn't that sort. But there would have been no use in telling Hurley that. The suspicion and the lack of trust had been fostered by a system that was ages old and a new red literature that was only a few years old. Both had cut deeply into the brain of Hurley. It would take a long time and many things to cleanse and drain the rut that was beginning to fester and send its poisonous hatred throughout his system, but the game was worth the candle. Hardwick was worth while and Hurley was worth while. Of that he was certain. That thought was good and Struthers smiled. He looked at the clock. It was after eleven. Remembering the next day's work at the presses he set the alarm and went to bed.

The man, a worker on the press next to his, nodded sadly.

"You're right. No man in his senses should have. But a place where you work in isn't a place where you use your senses. You use the stuff that's given you and if you're wise, you don't make a fuss but make the best of what you get. The men needed the tools, Larry said he'd get them, that's part of his job as an apprentice; the only thing that he could reach them with was a ladder; the only ladder that was right at hand was this one and he took it and used it. That's plain, isn't it? That's sense, too."

The man looked at Struthers for acquiescence. Struthers nodded.

"Yes, that's plain. But tell me, aren't there any other ladders around the place, better ones?"

"Oh, I guess there are. In some of the other departments. I guess Larry might have gone for one if he hadn't been in such a hurry. But you see you never think of these things. He had used the ladder before and nothing happened. Who'd a thought that anything was going to happen to-day? I call it a shame."

"It is a shame. Oh, there's Hurley now. He may tell us how the youngster is coming on."

Struthers and the man walked over to the group that were gathering around the foreman. One of them voiced the question that was uppermost in all their minds.

"How's the kid, Hurley? Nothing serious, is it?"

"No, small thanks to his own carelessness." His eye caught Struthers who was standing behind the man who had spoken. "And the carelessness of others," he added. "It's just a bad bruise and a twist. The doctor says he'll be all right within a short time. There's nothing we can do anyway. And there's no use standing around and talking about it. Come now, let's get to work. The afternoon's almost gone."

The men went back to their tasks but little was done that afternoon. The hum of conversation kept going constantly in spite of Hurley's exhortations to the men to "fall to and keep going." Similar accidents were rehashed, personal escapes and experiences gone over and the possibilities of similar mishaps in the future solemnly contemplated. There was a tension and unrest in the room that spoke poorly for the accomplishment of any work.

Johnson, the foreman of the shipping department, came into Hurley's rooms and talked the affair over with him. His eye swept the men as they stood dallying over their work.

"They're not doing much work to-day, are they?" he asked.

"No, they're not," Hurley responded. "You know how it is when something like this happens. Sets their tongues loose and their hands idle. Gives them something to talk about."

"Yes, I know how it is. We've been having a good deal of it in my place. You certainly cannot get a day's work out of a lot of men when you get something like this to disturb them. They keep going for a long time, then bang, a man trips over a case and beats himself up, and the whole place gets out of running order and a day's work is gone. By the way, that youngster wasn't badly hurt, was he? No? Well, that's good. So long, I'll be trotting along now. They'll be going at the old swing to-morrow. I wouldn't worry."

"I'm not. I know how it is," Hurley replied. Johnson left.

Struthers bent over his machine, thinking deeply. He had heard the talk between the two men. He decided to see Hardwick that evening. It was just a week since he had first made his appearance in Rawburn. He wondered whether Hardwick was growing impatient at his failure to appear. He thought at first that he'd wait until he was more greatly familiar with things, but the incidents of the day had made the moment opportune to strike a blow at the entering wedge.

The five-thirty factory whistle let out its discordant shriek and the men knocked off. Struthers got into his street clothes hurriedly. Hurley was waiting at the door for him.

"I may be late for supper, Hurley. Tell Mrs. Hurley not to wait for me. See you later."

He brushed past Hurley quickly and walked rapidly around to the building where Hardwick had his offices. He caught him just as he was leaving. For a moment Hardwick did not recognize Struthers in the workman before him. His lips relaxed into a warm smile when he did.

"Struthers! You certainly would make a fine camouflage artist. Didn't know you behind that sooty make-up of poor but honest toil. Glad to see you. I've been waiting for you. I've been wanting to talk to you but didn't want to send for you. I thought I'd let you do this stunt in your own way. Come over to dinner with me. The car's waiting. It's only a short ride. Three miles out."

"I can't come to dinner in this make-up, Hardwick, but I do want to speak with you this evening. I just wanted to be sure you'd be in when I called. I'll run along home now, wash up, get a bite and gather some stuff together."

"Don't worry about how you look but come along. It's three miles out and not especially pleasant walking. Besides you don't know the way. Come on."

"Can't be done, old scout. I really don't feel comfortable with all this grime. Besides I've got to get the ammunition. Cannonade. Fireworks. Anything you wish to call them. Don't worry about me. Three miles aren't much. I'll get somebody to show me the way. See you later."

Arrived at the Hurleys', Struthers went through

the program of washing up, eating and gathering his material together. He delved deep into the bottom of his suitcase and took out a large formidable looking envelope. From this he extracted a number of smaller ones. He glanced them over quickly and replaced them all with the exception of one marked "Safety." This he stuck in his breast pocket. On the way out, he met Hurley. He looked at Struthers questioningly.

"Going out?"

"Yes. How about walking a bit with me? What do you say?"

"All right. Hold on a minute until I get into my coat."

The two men went out together.

"Hurley," Struthers began, "I'm walking out to Hardwick's place. Which way do we go?"

- "Hm, I thought you would be. Going to tell him about the accident to-day? If that's your purpose, you're wasting your time. Hardwick won't bother with those things. What's more, he'll find out about the accident soon enough. There'll be a devil of a row when he discovers that the scale of production will be lower this week on account of the men not working this afternoon. They never do work, you know, after a thing like that."

"I know, Hurley. Tell me, how often do these things occur at the shops?"

"Too often to be comfortable. First it's one thing,

then it's another. Gears that catch, ladders that slip, belts that break, electric currents that shock. There are lots of things that can happen in a place where work of this sort is done."

"Yes, I know, Hurley, but tell me how often would you say these accidents happen; how many times a month, a year or what?"

"How many times a week would be nearer it. There's always something that needs mending which is allowed to go without mending. I don't say the fault there is Mr. Hardwick's entirely. Not all. It's the men's as well. They're careless of themselves just as he's careless of them. That boy Larry to-day could just as easily have gotten a good ladder by going into the next building for one. He was in a hurry so he didn't. What's he got as the result of his hurry? Several days or, maybe, weeks of idleness. With pay if Mr. Hardwick feels that way; without it, if the thing gets him mad. It's up to me to recommend whether or not I think the man is entitled to it. Of course, I do recommend payment in most cases, but sometimes I've got to admit that the fault is not entirely on the side of the boss. But Struthers, why can't he get rid of all the poor material, all the worn-out ladders, for instance, and put in a sufficient supply of safe materials? Why make it possible for a boy like Larry to take a chance of breaking his neck? Larry may not mean very much to Hardwick; he can always get somebody else to take his place, but

Larry, careless as he might have been to-day, means something definite and unreplaceable to his mother. I am not getting slushy about this, Struthers, but if people are careless, then you've got to do something that will keep them from turning that carelessness into a tragedy."

"Good work, Hurley, you're talking sense."

"Talking sense! Bah! You can't help talking sense when you see the thing repeated over and over again. If it isn't in my department, it's in Johnson's; if it isn't in his, it's in another's. Something's giving way all the time. What does it mean in the long run? I'm called before Hardwick, Johnson's called before him, Foley is called before him, all the men in charge of any special work are called before him and ragged because there is a let-down in some of the work. That's where it hits him and that's where he kicks. Naturally."

"Naturally is right. You understand that, of course. The thing that touches you closest is of the most vital importance to you."

"Well, isn't the safety of the men of importance to Hardwick? They mean something very definite to him in dollars and cents, don't they? Why doesn't he make it his business, then, to provide proper and safe equipment for them?"

"Why haven't you suggested it to him?" Struthers asked. "You know the shops as he doesn't pretend to know them. You know what's lacking and what's

needed to make them safe. Why do you wait until things come to a point where they break before you send in your requisition for new equipment? Why don't you make yourself familiar with the things that have been done in other shops along the same lines and then propose a constructive change of that nature to Hardwick?"

"It wouldn't help, Struthers. First of all I don't know as other shops are better than ours. You say they are. Maybe it's so, but I'm willing to stake my oath that we're all pretty much in the same bad shape. Secondly, I tell you that there is no question of my going to Hardwick with talk of this kind. He's not interested. When I go to him we both know it's going to be about something disagreeable and the sooner we get it over the better we both like it."

"I understand. You say that you're willing to stake your oath that all shops are pretty much in the same bad shape. I shouldn't do that if I were you for you'd lose. I wish I could take you with me now. But I can't. Not yet. You wouldn't be comfortable and Hardwick wouldn't be comfortable. And to be frank, neither would I. I couldn't say what I wanted to, as I wanted to, with you around. Just as I couldn't talk to you, as I've talked to you, with Hardwick around. I hope you understand."

Hurley nodded.

"I get you. I'm going to leave you here. Follow this road until you get to the river. Hardwick's

house is half a mile up the banks. You couldn't miss it. It's the only one there. Good night."

Struthers found Hardwick waiting for him when he arrived. He was sitting in a deep-seated chair in front of a cheerfully crackling fire. There was a chair drawn up at the opposite side of the grate. Hardwick motioned Struthers to it. The two men sat in restful silence for a few minutes. The soft glow of the room, the restful harmonizing shades of the furniture and hangings, the warm comfort of the hospitable chair brought a sense of ease and relaxation to Struthers that he had missed during the week of noise and grind and turmoil. He slumped down in his chair, and gave himself up to the sensuous enjoyment of the feeling. The man opposite him smiled but made no comment. It was good to see the fine dreamer's face of the man he loved opposite him and good to see it there in repose and friendliness. After a time Struthers lifted his eyes from the fire and met those of Hardwick bent upon him. The two men smiled at each other in kindly understanding.

"It's a shame to spoil this, isn't it, Struthers, by bickering and arguing? How about calling it off this evening? Come and see me to-morrow."

The smile on Struthers's face grew deeper.

"Afraid, Hardwick? Afraid? Come now, I won't spoil this at all. I'm not going to bicker and I'm

not going to argue. We'll go at this sensibly and quietly. All right?"

"All right."

"There was an accident at the works to-day. One of the apprentices got on a ladder to get some material for the men, the ladder slipped, he fell and was badly beaten up. Did you know?"

"No, I didn't. I should probably have heard of it before the week was out. Hurley would have let me have that as an excuse for the fall in production."

"We'll get at that later. That ladder, Hardwick, was pretty bad. Worn out clean to the first rung. That accident was bound to happen under the greatest care."

"I beg your pardon, Struthers," Hardwick interrupted, "that accident would not have happened under any care. I have some new ladders in the shops that this precious apprentice of yours might have used. Why didn't he take one of those?"

"Because the old one was nearer at hand. Because when you installed some new ladders you did only half the job, or rather, one-quarter the job. You didn't buy half enough to go around all the plants and you didn't remove those that were a menace to the life and limb of the men who, in the mistaken idea of saving a bit of time, foolishly risk their lives. Because of an inherent sense of economy which will make a man resort to a makeshift in order to save the few steps which will take him to the perfect tool.

Because of the same sense of economy that makes you buy an insufficient number of ladders or an inferior grade of ladders because of the saving in so many dollars. You and that apprentice are pretty much alike in the expression of that trait. He loses several days' work on account of it; you lose several days' work on account of it. Proportionately, you both suffer to the same degree."

"How do you make that out? Do you mean to say that his absence from the works means the same to me as it does to him? One apprentice more or less doesn't make very much difference in the works. Come now, be sensible, Struthers. I don't like these things to happen; that's natural, but when you speak of the loss to me, and compare it to the loss to the man or boy, I'm afraid you're pretty much off the track."

"Just a minute," Struthers made answer. "You're going too fast. You said a few minutes ago that you would have eventually heard of the accident; that Hurley would have given it as an excuse for his failure to keep up the mark of production. You said that, didn't you? Well now, don't you believe Hurley when he makes that excuse?"

"I don't. Hurley and his kind will pick on anything that sounds plausible to explain away shiftlessness and carelessness. To save my soul, I cannot see where the fall of one man from a ladder will keep one hundred men from turning out the required lot

of work. That's a bit too much for my credulity."

"Hm. Well, that's too bad. Proper application of a bit of knowledge of human nature would help you a long way. Human nature as applied to business. You're fond of your younger brother, Hardwick, aren't you?"

"What's that got to do with it?"

"I'll show you in just a minute. Suppose you got word that this younger brother of yours had fallen off a broken ladder in his gymnasium at college. Suppose you thought it meant the losing of his limb or maybe his life, what would you do?"

"The comparison is far-fetched. I fail to see the analogy."

"Maybe it is, but what would you do? Come now, what would you do?"

"Why, why, I'd go off to see Jim, of course."

"And you'd raise a devil of a row about that ladder, too, wouldn't you, if you found that Jim was badly hurt?"

"Oh, what has all this got to do with an apprentice who falls off a ladder in one of the shops?"

"This. You, the head of this plant, the guiding factor in the work of this plant, would, on the strength of a message of the kind we have just discussed, let everything here go by the board and rush off to be near your brother. Your mind wouldn't be at rest until you had assured yourself of his safety. The question of the production of the plant would

not be of great importance then, would it? The fact that things might not come up to standard during your absence wouldn't be of very great importance. Even the knowledge that your presence at his bedside would mean actual monetary loss wouldn't matter very much under the circumstances, would it? This hypothetical accident to your brother might—I don't say it would—but it might affect the work of one thousand men. Can you see that? And, seeing that, can you understand how the accident to one man in one of the shops might affect the output of all the men in the shop?

“It's a matter of human nature, Hardwick. The same sort of thing that would make you restless and unfit for work makes your men restless and unfit for work. I have seen it to-day; I have seen it before. It's not so much love for the boy that makes them stand about and talk, although that enters into the matter to some extent; it's just the fact that something's happened, something that concerns them intimately, something that is a part of their lives, something that might curtail the duration of their lives. It's not that they definitely set out to be idle; it's not that their hands are unwilling to do the work; it's not that they agree to cut down the production of the plant because one single ladder happens to be of inferior strength or quality; it's simply that the thing sets the maggots in their brain working and they begin to question and ponder and

compare and make decisions. Hurley can't fight against that sort of thing. Fortunately, Hurley is wise enough to know it and makes no attempt to drive them when they feel that way. He appreciates that no production is better than poor production. Eventually, he stands the brunt of your displeasure and your lack of appreciation that an accident in the shops may mean, and does mean, a let-down in production.

"I was a witness to and a participant in the state of idleness to-day. The boy fell down at about three-thirty in the afternoon. The amount of work done between three-thirty and five-thirty was negligible. Two hours' work gone to the dogs. You have about one hundred men in that shop, haven't you? That means two hundred hours. Roughly speaking, those two hundred hours are worth at least one hundred dollars to you in labor and several more in amount of production. I am right there, am I not? As I understand it, this is not the first time such an accident has happened and neither will it be the last time if some efficient measures to prevent their recurrence are not taken. From the standpoint of sound business sense, Hardwick, can you afford to go on in this hit-and-miss fashion?

"It isn't ladders alone. It's everything and anything that leaves the question of the safety of the men at work a dubious one. It's belts and gears and chains and floors and everything and every place

where there is a possibility for a man to be careless. Man is naturally careless of his own safety. You can't get away from that. The old proverb of familiarity breeding contempt is as true of contempt of danger as it is of anything else."

"What would you have me do, Struthers?" Hardwick asked shortly. "Go 'around the shops acting as nursemaid to the men, warning them of the dangers of working in the plant? I can buy new ladders of course. But that same fool contempt of danger will function just as strongly with a new one as with an old one. Let me tell you that."

"True," Struthers agreed. "I agree. It needs more than the installation of safety devices to make a thing safe. It needs proper use of them and proper supervision in the use of them."

"Well, how are you going to get that supervision?" Hardwick exclaimed. "Are you going to suggest that I hire a corps of policemen whose duty it will be to see that the men in my employ do not use an old ladder when I have bought a new one for them?"

"You are growing facetious, Hardwick. I don't propose anything of the kind. First of all, there need be and should be no old ladders. Secondly, the men can choose their own supervisors from among themselves. That's the only supervision that is of any value."

Hardwick rose up from his chair and began pacing the floor. He stopped in front of Struthers.

"You are getting on to your old subject again. I suppose you call it coöperation and all that kind of nonsense. I told you last time that I am willing to listen to good business sense but that I won't pay any attention to wild theorizing. You have been pretty sane up to this point but when you begin talking of safety supervision by the men then I feel as though I were talking to a new-fangled kindergarten teacher who gushes over the self-expression of her little pupils."

"That's not such a bad thing either," Struthers retorted with a grin. "Don't get impatient with me, Hardwick," he continued, growing serious. "I told you when I last saw you that I should propose nothing to you in the way of changes that had not been successfully tried out by firms that you would be proud to direct. I shall abide by that promise of mine. Sit down, will you, and make yourself comfortable. I am ready with my facts if you are ready to listen to them."

Hardwick sat down. Struthers put his hand into his breast pocket and pulled out the envelope he had extracted from his valise. He opened it and took out a number of pages of closely written notes. Attached to most of these were illustrations of various kinds. Struthers ran hurriedly through the papers apparently searching for something. Finally he found it. It was a thin pamphlet of eight or ten pages. He held it out to Hardwick.

"Take this, Hardwick, you may want it for future reference. You remember my speaking of some of the representatives of American industry who had already passed some of the milestones along the road of the newer industrial era. You were very much inclined to laugh at me. A few years ago the United States Bureau of Labor, very much interested in what was being done along these lines, carried on a nationwide investigation with the result that it was enabled to publish a list of some of the names of organizations that have inaugurated some forms of industrial betterment work. The list is not complete; no list of this nature could be complete. Nor is it entirely accurate. It is impossible to conceive of a complete and accurate census of all industrial organizations and business institutions. But it serves the purpose it was intended for insofar as it shows that there is a progressive element in the industrial life of our country. The list as it stands consists of some fifteen hundred names of firms. It is divided into states and cities so that you can tell at a glance the location of the plants."

Hardwick took the booklet and turned the pages casually. Struthers watched him. Suddenly the face of the former grew interested.

"Why, here's old Rivers gotten into this. Who'd have thought that he cared a red cent about these things?" He continued turning the pages.

"There's Smith, too. Remember him, Struthers?"

His father used to own that big dry goods plant. Good old Smith! I didn't know that he had turned out to be a merchant of finance. It gives you a good sensation, Struthers, meeting your old friends this way and knowing that they're doing big things."

"They are doing big things."

Hardwick frowned at the implication of the answer. He made no retort other than the one, "I'll keep this, Struthers, if you don't mind. And now we'll listen to what you've got to say."

Struthers began.

"First of all, I want you to understand that the plants about which I am going to tell you have been chosen for no other reason except that the work in any special field is typical of the best in that field. The best, that is, as far as I know. There are many that are on a par with these, but a mere mention of some of their names will have to suffice after an explanation of the organization of two or three of them. That's clear?"

Hardwick nodded.

"This subject of accident and accident prevention has for a long time received the attention of industrial experts. One of the mammoth organizations that has been in the van of this movement was the General Electric Company. They organized a Safety Committee whose duty it was to make a study of the general subject of shop accidents. The members of this committee were empowered to adopt means for the

prevention of accidents and to make recommendations to the local or shop Safety Committees. I'll explain that organization later.

"While the original Safety Committee was gathering its data, it also took a series of photographs showing the causes and effects of specific accidents. These photographs were later utilized as illustrations for lectures which were given the men in the factories on the general subject of accident prevention. The photographic slides were flashed on screens so that the words of the foremen or the man who was talking to them made a direct appeal to them.

SAFETY EDUCATION

"Together with this, the firm inaugurated an educational program by means of magazine and poster work. Large illustrated charts were placed in conspicuous places along the walls and corridors of the buildings, teaching the lesson of care. There was little printed matter; most of the material was passed along by means of pictures. The local newspaper coöperated in the movement, so did the Y. M. C. A., so did the public schools. You understand that the men employed in the various plants that constitute this organization run into the tens of thousands; an extensive program of this size was necessary in treating with so great a number.

"The work did not end there. The heads of the firm appreciated the fact that something more than

words and talk were necessary to safeguard the lives of the men. That something more was the installation of mechanical safeguards of every kind that would tend to reduce the possibility of accidents to the minimum point.

SAFETY DEVICES

"The majority of protective devices for machines, for instance, consisted of belt and life guards of many varieties. The aim toward which the engineer worked was perfect operation of machine combined with adequate protection to the man or woman operating it. These safeguards had to be improved upon many times. Very often, for instance, a machinist in adjusting a screw or a belt in his machine would remove the guards and then neglect to replace them, with the result that an accident would ensue. To eliminate risks of that nature, the machines to-day are built with fixed guards, so constructed that the operator can make any change in the running of his machine without removing the guards.

"The general principle upon which the men at the head of this movement are guided is the one of bringing the work to the tool and not the tool to the work. The value of this is illustrated, for instance, in the soldering processes at the plant. Instead of the workman carrying his heated iron to the parts that he is soldering, thus running the risk of causing injury to

people who might unexpectedly come along his way, the parts to be soldered are brought to a stationary electrically heated soldering iron which cannot be moved. The same methods are used in the melting of sealing wax.

"There are a good many girls employed by this company. The question of stray wisps of hair and loose clothes is one of grave consideration with them. All girls are provided with caps while at work on machinery that have exposed moving parts of any kind. One of the details in the safety work consists of fixing a plate of sheet iron to the inside rim of exposed or 'flying' pulley, as it is called, which shields the spokes and makes it impossible for metal rods or clothing to be drawn into the machinery.

"The matter of efficiency is closely aligned with the one of safety. Not only is it much safer for a man to drive nails by electricity but infinitely more efficient. An electrical machine which makes it unnecessary for the man to come into direct contact with the nails runs at the rate of several thousand nails an hour. It is beyond the question to make a comparison between the number of nails that could be driven by hand in an hour. Not only do you get increase of output but safety in output.

"The handling of materials in carrying them from place to place has also been done away with. Electrically run motor trucks have been installed which run all through the building carrying large loads and

run by only one man. Again, a matter of efficiency as well as safety. A good many of the accidents in your shops as well as in all other machine shops are due to careless handling of necessary material.

“Take the matter of the ladder accident in your shop to-day. It couldn’t have happened in a shop equipped with safety devices. For several reasons. First of all, Larry would have been educated in the matter of safeguarding his life; secondly, his co-workers would not have allowed him to use a ladder of that sort, and thirdly and more to the point, there wouldn’t have been a ladder of that sort to use. Every ladder of any sort in these shops is equipped with a non-slip device which consists of a sharp-toothed wheel attached to its feet. These teeth grip the ground when the ladder is placed against a wall and any danger of slipping is eliminated to the greatest possible degree. When the little sharp-toothed wheels become worn out they can be removed and new ones are adjusted. Surely you see what this means to the man who has occasion to use that ladder. Surely you can see that he appreciates the thought and the care that went into the planning of that safety device. And surely you can understand that that confidence means something definite in the spirit and type of work done.

“Once the mechanical aids are supplied and installed, the greater part of the work consists in constantly hammering into the minds of the men the

need of using them. The poster work which I mentioned is the medium which served to reach them in this plant. The constant impression of facts through picture presentation hits home with stronger effect than the installation of safeguards. Posters are hung showing the dangers from burns and nail puncture due to wearing of improper shoes; men are warned not to wear flowing neckties when at work at their machines.

"The poster bringing this last warning home to them most forcibly shows a young man being drawn into the rolls of his machine by the catching of his tie in the revolving machinery. The poster does not grow too sensational. It shows the machinery being stopped in time to avoid serious injury. Nevertheless, it serves to bring out the point of the need of wearing proper working apparel.

"The subject of burns receives special attention. To prevent steam burns, large red tags are attached to steam valves, which if opened would result in a rush of steam that would immediately scald the man. On the tags are printed the words, 'Danger: Do not open this valve without permission of the foreman.'

"Burns by acids are safeguarded by proper equipment. Tongs are provided for the carrying of the containers of acids so that the danger of their dropping and spilling while being carried is greatly eliminated. Rubber gloves and rubber-mounted goggles are provided the employees where there is any

chance of the acid getting over the hands or eyes.

"Goggles are also furnished the men who are at work on machines where there is danger of flying bits of metal, wood or stone dust entering their eyes. The big task in this work is getting the men to wear these goggles. The same is true of getting the men to wear the colored goggles provided in electrical work that might be harmful to the optic nerves.

"Every possible contrivance and combination of contrivances has been introduced to insure the safety of the employee.

"This work is not peculiar to this organization alone. Hundreds, no, thousands of others are doing the same thing at the present time. That is one of the milestones they have passed.

"Swift and Company, whose problem with machinery is as nil compared to plants doing work of your kind, publishes accident prevention rule books in eight languages for the use of its employees, with the result that the number of their accidents have been cut in half.

MOTION PICTURES

"The work of the United States Steel people is interesting in that it makes use of the motion picture as a medium of accident prevention education. Carried on by a slim thread of a story, the worker who views the picture is made to see the results of

carelessness in industry and the need of making use of the mechanical devices that have been installed for his safety. For instance, a workman is shown grinding at an emery wheel which is properly equipped with guards. A warning sign tells him to wear his goggles. He ignores the sign and neglects to put on the goggles that are peacefully reposing in his pocket. A chip lodges in his eye and a fellow-workman sharpens a match and attempts to take it out. The foreman calls attention to the dangers of such practices. A week later shows the worker being told by his physician that his eye cannot be saved. Not very thrilling as a story, I admit, but sufficient to serve the purpose it is intended for: to teach the men to be careful.

"There are pictures showing the wrong way and the right way of doing things. A workman is pictured ascending a ladder with an armful of tools. A large wrench slips from his hand and strikes his helper below him on the head. The correct way is then flashed on the screen, showing the man ascending the ladder holding on to a rope attached to a bucket. When he reaches the desired rung, he pulls in the rope and lifts up the bucket which contains the tools he needs.

"I can go on indefinitely telling you of the things along these lines that are being done," Struthers went on. "Here, look at some of these illustrations of guarded gears, and slip-proof ladders and spark-proof

goggles. I tell you they mean something in the efficiency of the plant as well as in the safety of the men. The men who inaugurated these changes are not philanthropists or altruists. They are sound business men and were prompted to make the changes by sound business sense. And it paid, Hardwick, it paid. There must be an appeal to you from that angle."

Hardwick looked closely at Struthers for a moment. When he spoke it was in a quiet tone of voice.

"There is. I can see the point you are driving at. I'd like to go more deeply into this thing. But there is one thing I don't understand. From what you have said it would seem that the directors of these plants are engaged in no other work but the one of attending to the well-being of the men they employ. You understand, of course, that there are other things of importance that come into the running of a plant of any sort. Other things besides running motion pictures and painting posters. What you say merely serves to bring out the point I have always made, and that is, that the men cannot be trusted to do anything for themselves; that they need constant supervision and constant pressure of control from above. I might be willing to install safety devices; that appeals to me from the mechanical and business point of view. I can see you to that point. But this thing of constantly running after a child and pinning up her skirts is quite beyond me. You understand what I mean."

Struthers nodded.

"I understand perfectly. I can quite appreciate how irksome is the thought of attending to work of this sort. But there is no need of your attending to it once it is started. The men can do that alone."

"What do you mean?" Hardwick asked.

"I mean that in the plants where the program of safety has been launched to any great extent, the work of supervision and control is left almost entirely in the hands of the men. It is something that touches them closely, something they are interested in and something they can be trusted to do well," was Struthers's reply.

"You are contradicting yourself. The very fact that they need this constant hammering and educational work as you call it, proves that they can't be trusted to do it well irrespective of the fact that it touches them closely."

"Agreed. But there again we are bucking up against human nature. A man is careless of his own safety, but place him in the position where he is responsible for the safety of the man who works next to him and he makes that neighbor of his toe the line. What's more, he will toe it too, by virtue of the fact that the importance of his responsibility looms up greatly before him and he feels that he must act as an example to those about him."

"There's something in what you say," Hardwick said after a moment. "I suppose you have some

definite facts to bring out your contentions. Bring them out. I want to hear them."

SAFETY COMMITTEES

"I have definite facts. The safety work in most of the larger plants is organized on a well-balanced representation plan which includes the heads of the subsidiary plants where there are a number of them to an organization, the heads or foremen of the various shops, and the workmen in the shops. The International Paper Company, whose activities cover a number of states, stands out foremost among the pioneers in this work. They have gone deeply into this subject of safety management. From the point of view of applying it to your own plant it may not be especially valuable; from the point of view of what has been done and what is being done by organizations of this size and scope, it is interesting.

"The arrangement is rather complex due to the number of mills operating. At the head of the movement is the executive manager of the company, to whom the larger questions of policy and expenditure are referred. As a matter of fact, once the plan is set working, there is but little that he has to do. After him comes the operating manager, appointed by the executive manager and known as the General Supervisor of Safety and Sanitation. Third, there is a Local Supervisor who is responsible for the conditions

in the plant where he is employed. So much for the individual responsibility. You understand of course that with the exception of the General Supervisor of Safety and Sanitation, the men do other work besides the supervision of factory conditions. They keep going at their own individual jobs in the plant.

"Now for the committees. There are three of these. We'll take them in the same order. The first is called the General Supervision Committee and consists of the General Supervisor as chairman and all the local supervisors of the various mills. The second is called the Local Safety Committee and consists of the mill manager, who acts as chairman; the local supervisor, who acts as secretary; the resident engineer and as many departmental foremen as the manager desires. In some instances workmen are added to this committee. These are appointed by the foremen or managers.

"The third committee is called the Workmen's Safety Committee and consists of a representative of the various departments. Where there are English and non-English speaking employees, the committee is enlarged to the extent that each nationality is represented on it. The first group to act on this committee were appointed by the mill manager. The work was new and that was the most expeditious way to start it. After they had served for the designated period, which was three months, the new representatives were elected by the men themselves.

"The duties of all of these committees and super-

visors dovetail each other. The Workmen's Committee deals with the matter of safety insofar as it can see how new devices are applied, recommend changes and supervise in a friendly manner the application of the rules of safety of the men in their departments. The men make weekly inspections of the entire factory or mill and report their findings to the General Supervisor of Safety. In the report they also make recommendations and suggestions regarding dangerous and unsanitary conditions. Together with this, they act as the medium of distribution for any information relating to the general subject of safety. Upon suggestion of the members of its committee or those of the Local Safety Committee, it meets with the latter for the purpose of discussing matters pertaining to conditions in the factory. In the event of a serious accident, joint meetings of the Local and Workmen's Committee of Safety together with the local supervisor are promptly called for the purpose of considering immediate measures to prevent a recurrence of the act.

"The Local Committee and the local supervisor meet at least once a month. At these meetings, it is the rule of the company to have reports, recommendations and suggestions from workmen take precedence over all other business.

"The General Supervision Committee meets every once so often at the call of the general manager who acts as chairman of these gatherings. These meetings

are held at the offices of a different mill each time so that the heads of the safety organization are given an opportunity to see what is being done in the various plants.

"In the individual mills it is the Local Supervisor of Safety who is responsible in fact to the mill manager and in spirit to the men whose safety he guards. His duties are manifold. He reports the need of safeguards and the need of maintenance of safeguards. He corrects unsafe practices where the workman's representative fails to do so; he attends to the supervision of general cleanliness of the plant inasmuch as a clean plant means a healthful plant. Every week he makes a thorough inspection of the plant, during which time he is accompanied by the foremen and members of the Workmen's Committee. In coöperation with the department foreman he gives special and continuous attention to the subject of proper instruction and observance of instructions of new employees. There are other things which naturally come into the sphere of his activities. I need not elaborate on them. The point of the matter is that the subject is considered of sufficient importance to warrant a safety system of this kind.

"That there was a definite gain in business efficiency was proven by the report issued by this company last year. There was a reduction of three hundred and forty accidents as compared to the number

reported the year before. That meant for them a reduction in total time lost for the year of six thousand seven hundred and ninety-eight days. The reduction in time lost per hundred employees was a little over one hundred and six days. That means that in a shop such as the one in which the ladder accident occurred, under more efficient and safe conditions you could count on an additional one hundred and six production days. Not so bad when you come to think of it. That, if you please, irrespective of the fact that a little of the time of some few of your employees will be given over to inspection and care of the conditions of the factories.

"The United States Steel Safety organization is greatly akin to the one of the International Paper Company. It, too, consists of a series of committees whose work coördinates with one another. The first committee consists of an officer at the head of the corporation who sits in with representatives of the subsidiary companies. This committee meets four times a year either in New York or at one of the plants or mines. It conducts inspections by sending an inspector from one company to look over another company's operations, which is another evidence of the laxity and untrustworthiness of human nature which is peculiar to the highest as well as the lowest types of mankind. However, to go on. This committee makes a careful study of all serious accidents and

recommends methods to prevent their recurrence in any department of the industry. It also passes upon safety devices and recommends their use.

"The second committee, called the Central Safety Committee, consists of important officials of each of the subsidiary plants, mines or railroad divisions. It meets monthly and its duties are similar to the first except that its control is limited to the particular company and the mills represented by the members of the committee. A feature of its work comparable to that of the first committee, is its inter-mill safety inspection.

"The Plant Safety Committee is the third group in this organization. This committee is made up of important officials in the plant; it meets monthly or weekly and in some cases daily and makes inspections of the plant at regular intervals.

"The Workman's Safety Committee consists of members from the rank and file of the mills. It meets monthly or weekly, makes regular inspections of the plant and its departments, investigates accidents that have happened and recommends means of prevention of similar accidents. Its members are changed periodically so that each man in a plant has an opportunity to serve in this capacity. Up to the end of the year 1918, 22,000 men had served on the Workmen's Committee.

"There is still another group or committee which makes this organization unique among all others.

This group is composed of foremen, master mechanics and skilled workmen. The men meet weekly or monthly, according to the regulations of the different shops, make periodical inspections of the plant and conduct special investigations of particular problems. To me that last committee is one of the most valuable. Here you have actual representation of all the factors involved in the working conditions of a shop; the foreman who represents the managements of the shop, the master mechanic who is the expert on shop conditions as related to mechanical devices and safeguards and the skilled worker who can intelligently understand and interpret the suggestions and recommendations and apply them to the men who work with him. In a small group of men, such an arrangement would be sufficient to direct and carry on the safety program of a plant.

"The Phelps Dodge Corporation has worked out a safety organization plan that is peculiar to the work in which its men engage. Its Central Safety Committee consists of representatives of the employees of each of the underground or mining divisions and representatives of the surface departments and the management. Besides this, there are Division Safety Committees selected from among the employees of each division. A Safety Inspector directs the work of these committees, makes reports on all fatal and serious accidents and organizes first aid and mine rescue classes.

"The company has adopted a book of general rules on the prevention of accidents. Every new employee is supplied with one of these at the time he is engaged. It is revised from time to time by the Central Safety Committee. Any infractions of the rules by the men at work are reported to the Shift Boss or foreman by the Safety Inspector. The Safety Committee make monthly inspections of all the workings in each division and reports of these are supplied to the management and the Division foreman."

Hardwick interrupted Struthers.

"I do not believe that last example has much to do with the subject under discussion. One can readily understand why special measures must be taken in work as dangerous as mining. The case is not comparable to conditions in my shops."

"I didn't say I was giving cases comparable to those in your shops," Struthers replied quietly. "I told you I was going to tell you what was being done by progressive industrial heads. There was a time when owners of mines even did not consider it of sufficient importance to take any measures to insure the safety of the men. It took them a long time to see the light. As a matter of fact the case is comparable to the conditions in your shops. Not in degree, I admit, but in kind. The mines were being worked on an unsafe, unsanitary basis; so are your shops. The mines were being run on an inefficient basis because of those conditions; so are your shops. I repeat,

there is a difference in degree but not in kind of laxity and inefficiency, and resulting unhappiness, of everybody concerned.

"Do you want me to go ahead? I can give you the safety programs of progressive plants of all sections of the country. I can tell you of the work carried on by the Workmen's Safety Committee of the New Jersey Zinc Company. I can tell you of the safety reforms inaugurated by the Boston Gear Works of Massachusetts and the Goodyear Tire Company of Ohio; of the Welsbach Company of New Jersey and of the Clipper Belt Lacer Company of Michigan. I can tell you of the measures inaugurated by the railroad companies. The movement is nationwide in its scope. You can get a duplication of all of the details I have given you from hundreds of the names appearing on the list formulated by the Department of Labor.

"What they have done is not all that can be done," Struthers continued. "It is merely a beginning. But it is a good beginning and lends itself easily to improvement. Not the least interesting of these improvements is the suggestion system recently adopted by a good many plants whereby workers are given a small reward for suggesting any valuable improvements in the safety system of the plant. This suggestion system, by the way, has in a good many instances been extended to other branches of the industrial betterment work."

"Just exactly what do you mean by a suggestion system?" Hardwick asked.

"Merely this. One of the men in the plants working on a machine discovers a method by which he can reduce the possibility of danger in operating it. Very often it is a simple device that needs nothing but a bit of wood or a scrap of iron. At first glance it may be so simple and crude that it is hardly worthy of attention. Nevertheless, it may serve the very valuable purpose of a shield or protection of some sort. It passes the primary test given to most improvements and inventions—it works. Under a suggestion system, the man feeling reasonably sure of the value of his crude improvement would feel impelled to speak of it to his foreman, or better still submit it in written form by way of the suggestion box. The term suggestion box is self-explanatory. The matter is then brought before a suggestion committee consisting usually of the foremen and the managers. In the event that the suggestion is considered valuable, the worker is paid a certain stipulated reward. This system is equally valuable in bringing forth suggestions other than those of a mechanical nature. Its chief value lies, of course, in the fact that it serves to arouse the interest and initiative of the men in improving their working conditions. And this interest and initiative, bear in mind, is directed toward something constructive. You see the point in that, don't you?"

"I do," Hardwick responded. "I do." He sat quietly ruminating for a short space of time. Struthers watched him closely. After a while he spoke.

"Want me to continue, Hardwick, or have you had enough?"

"Enough. Enough for this evening, I mean. You've made your point, Struthers. It's a good one. I didn't expect to find so many facts stored up behind that frontal bone of yours. I take back what I said at the beginning. But Struthers, how does one begin at these things? Facts are facts, but how do you turn them into working realities? You can speak about these things but can you build them; can you help me build them; can you help put them into working order? The whole thing is so immense and new!"

"Yes, I know," Struthers replied. "Sometimes I believe that is the big reason that big men do not do the big things they dream of. They are so immense and new. They are afraid to tackle the thing that has not been tackled by the people who came before them. Tell me, Hardwick, are you afraid?"

Hardwick laughed nervously.

"Frankly speaking, I am. I don't know where to begin, provided I decide to begin."

"No need to make that proviso," Struthers laughed. "You will begin. You are too anxious to succeed to allow yourself to lag behind once you have been assured of the value of the methods used by progressive

leaders of industry. We'll let that go for the moment. You want to know where to begin, you say. That's easy. With a study of the needs of your plant gained by personal inspection under the supervision of the departmental foremen, followed by a conference with the foremen, followed in turn by a rather big outlay of money. That ought to turn the trick."

Hardwick frowned.

"I don't see that foremen conference business. I do not see why I can't go ahead on this without getting the undesired advice of the men in the shops. You can tell me what's necessary, can't you?"

"I can, in a measure, but not in a full measure, Hardwick. If you are going to do this, why don't you do it in the proper way? Why don't you get the interest and the brains of the men who are most actively concerned working with you on this problem? Why don't you get Hurley and Johnson and the other men as well as some of the workmen to tell you what they think is necessary in the way of safety devices? You'll do it in the long run, why don't you begin now?"

"For this reason, Struthers. I don't believe Hurley and Johnson and all the others will be interested. If I call them into conference during the day, they will wonder, the workmen I mean, whether they will lose an hour's wages. The foremen will wonder about something else. You see, Struthers, we do not meet

on an equal basis and you can't get anything valuable out of a conference like that."

"Very true," Struthers made answer. "You can't. You can't get anything worth while without confidence. But is there any reason why Hurley, for instance, cannot assure the men of the purpose and conditions of this meeting, and why he and the other foremen cannot be made to feel that this is different from the other, er, conferences, that you were wont to call?"

Hardwick looked closely at Struthers for a moment. His lips tightened at the implied rebuke. Finally he laughed.

"We'll let that pass. Hurley's been talking to you. Well, so have I. Never mind. But about that calling the men together on this. Do you think you can manage it, Struthers? I'm not much good at this conference talk. There are certain things I can do and may do, but I wish that you would give the thing its impetus. As I said before, this thing appeals to me. It is sensible and there's good business sense behind it, even though it does come from you. I want to think it over carefully but meanwhile will you let out a number of feelers and see how it will take? There's another thing I want to ask of you. Will you leave some of your notes and leaflets here with me? I want to look them over after you've gone."

"I'll do what I can, Hardwick. You know I shall

"It's not that I want anything more. It's you who will want more once I get going. I'll be here next Friday evening. I'll arrange to come for dinner if it suits you."

"Good. That sounds like old times. Oh, by the way, Struthers, can I call on you on this safety conference business? You're one of the men, you know."

"You can. I am one of the men. And when old Hardwick gives orders, I guess it's up to me to fall in line. Good night." The hands of the two men met in a firm grip.

"Good night."

Struthers left. Hardwick watched him from the window as he swung down the street. Once Struthers turned and waved his hand at the figure in the window. Hardwick caught a glow of the pipe as the man stood there in the dark. For a fleeting moment the glow in the dark seemed to him to be typical of the man. He waved his hand in answer and turned his face to the room. It was a beautiful place. He loved it, the grays, the touches of old blues and deep oranges.

Suddenly he remembered that remark of Struthers, "A bit of the artistic instinct wouldn't go bad in business." And something else that had come after it, something about proportion, perspective, harmony, human values. Hardwick let his mind play with the thought. Proportion, perspective, harmony, human values. Put some warmth of color in the

place. The works. Warmth of color. No, that couldn't be what Struthers meant. But warmth. Surely warmth. That's what made this room so restful. Warmth. Warmth of feeling. That might be it. Of course. Warmth of feeling in the works. The works. Hardwick shuddered. The works were cold and every thought associated with them was cold. Bah! That dreamer hypnotized him and made him dream things that were impossible. Impossible, and yet, and yet. . . .

Hardwick turned to the material that Struthers had left. He opened the booklet containing the names of the employers gathered together by the government. He turned to the page where his state was given. His fingers carefully went down the list. L, M, N, O, P, Q. At R he stopped. He pulled out his fountain pen and drew a line under it. On the margin he wrote "Rawburn Machine Works." He looked closely at the inscription for a moment, his pen poised in his hand. Slowly a flush grew upon his face. He felt that he had done a childish thing. He crossed out the line hurriedly, and put the book into his breast pocket. He picked up one of the booklets that Struthers had left with him and sat down with it in his chair. He turned the pages and began to read.

Struthers found Hurley sitting up for him when he returned. He grew embarrassed when the younger man entered.

"I thought I'd sit up a bit to-night. Felt kind of restless and knew I couldn't sleep. You going to bed right away?"

Struthers gauged the meaning behind the halting words. He was inwardly pleased that Hurley had waited for him, pleased for two reasons. One, that the man was interested in the result of his talk with Hardwick, and two, that he, Struthers, could tell him of the definite scratch he had made on the surface of Hardwick's indifference to the well-being of the men in the plants. Besides, he wanted to discuss this matter of Safety Committees with Hurley. To-night was as good as any time. He sat down at the opposite side of the table.

"No, Hurley, I'm not going to bed for a while yet." He paused, then continued. "I suppose you're interested to hear what happened at Mr. Hardwick's. Suppose I tell you that we're going to have new ladders in all the places, ladders that won't slip, and special gear guards and sprocket guards and all that sort of business, what would you say?"

Hurley pulled his pipe out of his mouth and stared at Struthers for several moments. Finally he replaced it.

"I'd say," he sputtered between quick puffs, "I'd say that you're seeing things and that you'd better sleep it off. I thought you'd come back with some sense pounded into you. Hardwick won't spend money on things like that. And I won't believe any-

thing you'll say to the contrary until I see things with my own eyes."

Struthers rose impatiently.

"What I told you was the truth, Hurley. Now, can I or can't I count on your help or is Hardwick right when he says you men want no responsibility, you're capable of no responsibility and that you've got to be coddled and nursed like children?"

Hurley's eyes flashed fire. He retorted.

"Hardwick said that, did he? Well, has he ever tried giving us any responsibility that he's found we weren't ready to take it? Answer me that."

"He may try something now provided you show some evidence of interest in the matter. Now can I or can't I count on you?"

"What do you mean exactly?"

Struthers sat down again and outlined the plans he had discussed with Hardwick. He showed Hurley the diagrams of safety devices used by the various plants that had installed them. Hurley was interested in those, more than in the details of the Safety Committee. The two men sat far into the night discussing the needs of the various departments. Every now and then, Hurley would rise and pace the floor with his pipe sputtering at his mouth. At these times his statement would invariably be: "All this is very good, but will it be done?" or "Do you mean to say, Struthers, that he won't take it out of our wages in some way?"

Struthers gritted his teeth with impatience several times. His manner, however, gave no evidence of his displeasure. Just once he came out with the half-irritated expression of, "Stow that and listen to sense." And then went on explaining and outlining.

Finally the two men rose from the table. Struthers turned his tired eyes upon Hurley.

"Well, how does it strike you? Think we can do something worth while with it?"

"I think we can. The machine parts interest me. Johnson's the man for the Safety Committee. So's Walters. Witlik can speak up for the men. It's all right, Struthers, provided——"

"I know what you're going to say. I wish you wouldn't say it and take things at face value. Hardwick will, without doubt, call on you fellows to come to see him some day this week. For heaven's sake, Hurley, don't bite and don't expect to be bitten. You might tell the other men the same thing." He yawned, then continued, "I think it would be wise to get a few hours' sleep before the morning. Think on what I've been speaking to you and stop looking for snakes in the grass."

Struthers turned and walked toward his room. The voice of Hurley interrupted him as he was turning the door-knob. It was a shy, halting voice.

"Eh, Struthers, I was just wondering. Do you think he—Hardwick, I mean—will let me do the machine parts?"

CHAPTER FOUR

HEALTH MEASURES

STRUTHERS found Hardwick waiting for him outside his office door when he arrived the following Friday evening. The eyes of the latter lit up at sight of the slender, oil-begrimed figure that came striding toward him. The two men walked down silently to Hardwick's car that stood waiting for them. Struthers sighed as he sank into the soft depths of the cushioned seat. Hardwick glanced at him in concern.

"Not sick, old man, are you? You really are going at this too seriously. Suppose you let up for a while and rest a bit."

Struthers smiled.

"No, I'm not sick. Just tired. What is it they say in the books we used to read when we were shavers? 'They returned home, tired but happy.' Hm, that's not such a bad ending to a story. Tired but happy. It's funny, isn't it, that little children are never satisfied unless the ending is a happy one; unless the people in the story are made happy. 'They returned home, tired but happy.' 'And so they were married and lived happily ever after.' You remember, don't

under a spell that a wicked witch has cast over him? Don't you remember those stories?"

Hardwick looked at Struthers sharply.

"I remember. Now that you speak of it. Come now, here we are. We've been talking nonsense long enough. I suppose you'll want to wash up. 'Tired and dirty' would suit you better than 'tired but happy,' I should say."

"Honest dirt from honest toil," Struthers sang out as he turned in the direction of the bathroom. And, as the door was about to close behind him he called out, "And, Hardwick, a bit of honest soap and water in the proper place wouldn't go so bad, so help me gawd."

A little later the two men met in the beautifully equipped dining room. There was hardly any talk of any import while the butler hovered around the table. They moved into the room that Struthers had so greatly admired the week before for coffee and smokes. They sat in comfortable silence for the period of half an hour. Finally Struthers knocked the ashes out of his pipe into the fireplace.

"Well, what did you think of it?" he began.

"Think of what?" Hardwick parried.

"That meeting on Tuesday. What did you think of the men, their minds, the way they gripped at the thing?"

Hardwick puffed at his cigar for a few seconds. Finally he spoke.

"Struthers, these men would not have spoken or acted as they did if you hadn't been there to encourage them by speaking as openly as you did."

"What exactly do you mean by that? Is that a veiled suggestion that hereafter you would rather that I didn't attend the meetings, or attending, that I make myself less conspicuous?"

"Heavens, no, man, but I've been wondering what it was in you that thawed them out," Hardwick answered. "They've never spoken that way before and they've been up before me innumerable times. I'll admit the subjects under discussion were different on those occasions, but then, they never suggested things, they never planned things; they always made excuses, and gave reasons and offered complaints. It's queer that."

"No, it isn't queer at all," was Struthers' reply. "You get just as much as you give. It wasn't the fact that I was in the room or that I spoke that made them unbend. It was the fact that your attitude was a receptive one and they responded to it. You'll have to believe that, Hardwick. For every valuable, tangible reform that you inaugurate or that any business man inaugurates there is a definite but intangible reaction in feeling and spirit among the men that in the long run more than makes up for any loss in profits. However, I don't want to go off on that angle. That is a rule that will prove itself in time. Tell me what do you think of Hurley. Will you let him

anathema. Sabotage, I mean. Destruction of machinery. 'Hurley,' I called. The man looked up. He had a foot rule in his hand. 'What are you doing here at this hour? You know it's against the rules.' The answer he gave was rather startling." Hardwick smiled reminiscently. "'I'm trying to show you, sir,' he said, 'that you can build your own gear guards.' There he was, if you please, drawing diagrams and making plans of the guards."

"Well, what did you do?" Struthers asked.

"Do? What could I do? I examined his drawings. They were good. Mighty good. Some changes were necessary and we made them, but on the whole they were as fine as any of the patented stuff made by specialty firms. We stayed there until after ten." Hardwick paused, then broke out with the sentence, "Hurley thinks he can get the men to work on these things overtime."

"What do you mean Hurley thinks he can get the men to work on these things overtime?" Struthers asked.

"Well, I told him it was all very well and good his working on those diagrams, but that we couldn't stop the work in the shops to begin building safety devices. He saw the point and asked me how it would do to have the men make them after hours. That has always been a sore point with Hurley and me. The matter came up some time ago. We couldn't agree on

terms at the time so I decided we'd get along without overtime work. I told Hurley about that and I rather believe it held him for a moment. I told him I'd think it over. I have. Hurley expects me to decide against him. If for nothing else than to disappoint him, I'll let him know the beginning of next week that he can go ahead with his plans. Until then, he can soothe his troubled spirits by railing against me and the class he insists I represent. However, those were mighty good drawings he had."

Struthers looked at Hardwick intently. Hardwick met his gaze without flinching. He moistened his lips and spoke.

"You're wondering why it is that I won't tell Hurley sooner about this decision of mine. I'll tell you. Because he dislikes me, and believes I shall not do the right thing by him; because he feels that there is something I am hiding from him; because he won't ask me in an outright fashion whether or not I intend to let him do the work; because it gives him some satisfaction to feel that he is mistreated and down-trodden. Well, let him feel that way a little longer. Call it mulish stubbornness on my part if you want to but that's the way I am going to do it. Rome wasn't built in a day, you know. That's a trite expression but a true one. Well, you won't change the nature of Hurley or me in a day either. We'll both go along, doing things in our way. Some day, perhaps, we'll

to keep the healthy employees in a state of good health. The physician and the assisting corps pay for themselves according to the Chinese method of medical treatment. That is, the doctor and the nurses are paid for keeping the patients well rather than for curing them. Not a very bad method, I should say.

"One of the first tasks of these medical corps is to give every new employee a complete physical examination. The purpose of this is two-fold. First of all, it bars any man from employment who has an infectious disease that he might spread to his fellow workers; secondly, it fits the man with slight ailments for tasks which he is best able to perform. Take the man who is slightly hard of hearing. All the safety devices that you might install would be of no use to you or the men in the shops if he were placed in a position where in an emergency he could not hear a hurried command or warning. Such a man would be of no value at an electric switch where an instantaneous turn of the lever might mean the saving of many lives. He might, however, be a very valuable worker at a task where the danger is reduced to a minimum. The examination in no way acts as a bar to employment but serves rather to place the right man in the right job.

"Another object the physical examination attains is the one of discovering for the men any slight ailments they may have which for lack of care might develop into serious ones. A good many of the in-

stitutions employing medical help for their employees attend to these minor illnesses without charge to the men, considering this work as one of the items in overhead expenses.

"The most valuable result obtained from medical service of this sort is immediate attention to immediate needs, thus eliminating two evils at one time, namely, the one of prolonged absence for slight illnesses or accidents and the development of serious results by lack of treatment at the outset.

"Among the best work done in this particular field is that of the Norton Company of Massachusetts. The physician in charge has outlined a course of medical education and activity that might well be followed by other progressive plants. He has divided the medical problem into four main divisions. First comes the physical examination of all employees; second, immediate attention of all defects found at examination; third, reexamination at regular intervals of employees who have physical defects of any sort; and fourth, immediate attention to all employees incapacitated by injury or illness with a view toward getting them into normal condition in the shortest possible time.

"The results obtained in that plant are many. First of all comes the elimination of those practically unfit to work. The saving of labor turnover is readily appreciated in that. Then comes the point I have mentioned before, that is, the placing of the

them to give first aid treatment during the absence of the physician. Instruction is given them in the treatment of hemorrhage, burns and bruises, lacerations and cuts, sprains, infections, fractures and dislocations, resuscitation from gas, fainting, etc. The talks are given in simple language and are illustrated by blackboard drawings and actual demonstrations such as putting on bandages, splints, tying tourniquets and other simple emergency measures. Each foreman is provided with a simple first aid equipment service.

"Before the medical department became a fixture in the plant a sick employee could go home no matter how slight the ailment or how simple the treatment to cure it. To-day he is sent to the doctor, who immediately prescribes for him and in nine cases out of ten makes it possible for the man to return to his bench within a short time. The saving both to himself and his employer is readily understood.

"Various department stores all over the country have established a similar type of medical department. Lord and Taylor, and Altman's in New York, John Wanamaker in Philadelphia, Filene's in Boston, Marshall Field in Chicago stand in the fore of the work in this field. There are many others, besides.

"The Republic Rubber Company in Youngstown, Ohio, maintains a complete emergency hospital at its plants in charge of a physician and three graduate nurses where employees and their families may get

free medical advice. It would be impossible to give all the instances where this milestone in industrial welfare work has been passed.

DENTAL CLINIC

"Not a few organizations have installed, together with a medical service equipment, a dental and optical service equipment. The Metropolitan Life Insurance Company is one of these. One of the features of the dental clinic is the free cleaning of the teeth of the employees twice a year. Emergency cases are treated without charge. Examinations and advice are given without charge. The treatment of all improper mouth conditions in an establishment of that size is beyond the question, but a definite effort is made to instruct the men and women employed in the need of proper care of the mouth.

OPTICAL CLINIC

"The optical clinic is open to the employees every afternoon. In addition to the oculist regularly employed by the firm, there is an optician in attendance part of the time whose work is limited to fitting and adjusting glasses. Glasses and repairs are made at greatly reduced rates.

TUBERCULOSIS SANATORIA

"While speaking about the work of this organization it may interest you to know about their work

'reasonable care' of its employees. Where does reason end and mollicoddling emotion begin, there's the question?"

Struthers quoted again.

"'According to the enlightened sentiment of the age and community.' That ought to answer your question. And the enlightened sentiment of the age and community is interpreted by those in the van of progressive movements of every sort. You will admit that."

"Those in the van may be experimenting with dynamite. It is those in the middle ranks who are representative of the progress and growth of a nation or a community," Hardwick retorted.

"True, when those in the van are experimenters only. But when they are hard-headed, conservative business men who are making a success of their careers, then the vanguard is something more than a hit-and-miss experiment station of wild theorists."

"Very well, go ahead. We'll leave discussion for some other time. What more are these industrial torch-bearers of yours doing to insure the health of their employees? And, by the way, was that sanatorium built or did they think the decision of the court was sufficient glory and let the matter rest there?"

Struthers smiled.

"I'll answer the last question first. The sanatorium was built. A plot of ground of four hundred and twenty acres, ideally located in the Adirondack Moun-

tains, twelve hundred feet above sea-level, was bought and in 1913, the buildings, model in every respect, were ready to receive their first patients. These were the employees of the company.

"Now as to the first question. You have doubtless heard of the work carried on by the National Industrial Conference Board. This board is a coöperative body composed of representatives of national industrial associations and organized to provide a clearing house of information and a machinery for coöperative action on matters that vitally affect the industrial development of the nation. The American Cotton Manufacturers Association is represented on the board, so is the National Metal Trades Association, so is the National Boot and Shoe Manufacturers Association, so are the cotton people, the wool people, the railway-car people, the paper and pulp people and a good many others. From time to time they carry on industrial investigations and experiments among the manufacturers represented on their board with the end in view of getting the best information and results on problems that require a wide basis of experimentation.

"Perhaps the most interesting of their investigations was the one involving the problem of fatigue in industry. I am telling you this, you understand, to show you that those questions are not merely theoretical, based on hypothetical conditions. Sane American business men have given them thought and atten-

tion because they appreciated that they had a definite bearing on their production.

REST PERIODS

"Three hundred and eighty-eight employers who had inaugurated a system of rest periods were asked to report what effect these rest periods had upon the output of the plant. In the large majority of instances, the reports tended to prove that the work was more efficiently and more quickly done where rest periods were provided. An instance where rest periods increased the output of work of a monotonous character which at the same time required concentrated attention was that of a New England cloth finishing house. The findings of the investigators of that factory were unique. Let me read them to you as they were given.

* "The first process at which women are employed is that of keeping cloth running evenly through a tentering machine. The machine holds on tenter hooks—the hooks of the metaphorical reference—the damp cloth brought from the process of bleaching and rolls it through evenly into a drier, where it slips off. There are two kinds of tentering machines. At one kind two girls sit, each watching an edge of the cloth and keeping it straight on the tenter hooks, so it will feed evenly. The newer machines run in such a manner that one girl, who may either stand or sit, can watch both edges. . . .

"The tentering machines used to run slowly. This

* Clark, S. E., and Edith Wyatt: "Making Both Ends Meet."

slowness enhanced the natural monotony and wearisomeness of the work. The girls used to receive wages of \$6 a week, and to rest three-quarters of an hour in the morning and three-quarters of an hour in the afternoon, with the same period for dinner at noon in the middle of a ten-and-one-half hour day. After scientific management was introduced, the girls sat at the machine only an hour and twenty minutes at a time. They then had a twenty-minute rest, and these intervals of work and rest were continued throughout the day by an arrangement of spelling with "spare hands." The machines were run at a more rapid rate than before. The girl's task was set at watching 32,000 yards in a day; and if she achieved the bonus, as she did without any difficulty, she could earn \$9 a week. The output of the tentering machines was increased about sixty per cent. . . ."

"Another interesting report on this subject," Struthers said, looking up, "was made by the superintendent of the rag room in a vulcanized fiber factory who also observed that there was an actual increase in production following the rest period. The same observation was made by the general manager of a typewriter factory. A thorough study of rate of production had been made by this man and his report ran to the effect that following upon the rest periods the speed of the operators had increased sixteen per cent. over the normal rate. The technical term for this increase following upon a rest period or work incentive of any sort is called a 'spurt.' An employment manager in one of the factories where the rest

periods were inaugurated reported that 'spurt follows and continues until closing time.'

"The prevailing practice among the establishments reporting for the investigation made by the National Industrial Conference Board was to provide one rest period in the morning and one in the afternoon. Ten minutes was the usual amount of time allowed, although in some instances it was fifteen. The main object arrived at in every instance is to secure real recuperation from fatigue, at the same time not allowing the period to grow long enough to interfere with the speed obtained by making the movements mechanical. A pause of from five to fifteen minutes is generally conceded to be the most valuable.

"The point has been made by a great many industrial experts that little value can come from a rest period spent in the devitalized air of a shop or factory. That point loses in force when it is taken into consideration that in most of the factories where the rest period has been inaugurated, the men and women leave the room and allow the air in the room to be changed. Where suitable rest room facilities are lacking an effort is made to induce the employees to go out into the open air. Where the employer, however, has been far-sighted enough to consider the value of such recesses, he has also been progressive enough to provide rest rooms or recreation rooms of some sort. Most of the department stores all over the country have provided these. I know that all of

them in New York City have them. So have the Telephone Companies, so indeed have most of the industrial establishments which have any large number of women working for them.

"As a relief from cramped positions, calisthenics or setting-up exercises have been introduced by numerous plants. Sometimes a paid supervisor conducts this work; where there is an attendant nurse on the premises, it is very easy for her to do it. A hosiery factory reported the most elaborate arrangements for spending the morning and afternoon rest periods. In the forenoon, the recess is spent in setting-up drills, dancing, games and singing; in the afternoon talks were given on current events. Personally I believe that studied arrangements of this sort are not necessary and that the men and women will find their rest and recreation in their own way.

"In numerous cases, it was found that rest periods were granted for reasons other than fatigue resulting from the monotonous or nerve-wearing nature of the work. In one of the foundries, it was found, for instance, that at almost any time between eight and eleven o'clock in the morning the men knocked off of their own account in order to take a bite at their lunches. The foreman decided that it would be vastly more profitable to have all the men stop work for a short period at the same time. A rest period of ten minutes was allowed them in which they could eat their mid-morning lunch at leisure and without fear

of reprimand. The resulting saving in time and increase of production due to the 'spurt' gained by the physical and mental relaxation was found to be highly valuable.

"Still other employers introduced definite rest periods in order to diminish loss of time resulting from unregulated pauses. Two definite ends were gained by this: first, lost time due to fatigue with its consequent falling away from maximum production was minimized, and second, the inevitable tendency toward laxity in discipline due to undefined rest periods was overcome.

"In operations where the attendance of a group of people working in unison is necessary, the rest periods have been of especial value. The absence of one worker naturally holds up the production rate of the entire group. Where the men and women can look forward to a definite period of relaxation, the tendency to leave the group is perceptibly lessened.

"Rest periods are not, however, the only solution in eliminating the question of fatigue in industry. The problem of ventilation enters greatly into the subject; so does the one of proper equipment. The Telephone Companies have given much thought to this subject. The operators' chairs are of a type and construction as to throw the weight of the body into the most comfortable working position. The adjustment of these chairs is carefully looked after, it being the duty of each division supervisor to see that her opera-

tors are comfortably seated. The Underwood Typewriting Company is another establishment that has made a careful study of chairs and back rests.

"A frequent substitute for rest periods is an arrangement of work which enforces change of position at regular intervals. It is working on the fatigue-lessening possibilities of this theory that the Telephone Companies besides allowing their workers two rest periods, also allow them to stand at their work several times during the day. The manager of a clothing-shop reported a similar system in his plant. The work is so arranged that the machine operators, most of whom are women, have to leave their tables on an average of four times an hour for the purpose of checking time slips, procuring new work and turning in finished work. This time taken by these changes amounts to about thirty minutes during an eight-hour day. It was found that in this plant, this method of counter-acting the danger of over-fatigue was more valuable than having fixed rest periods at stated intervals.

"This question of fatigue in industry has been given serious study by eminent educators as well as by men personally interested in industry. Certain definite strides are being constantly taken to show that the worker can go just so far and no further and that the highest amount of production can be gained only when conditions are such as to take into consideration his physical well-being and the need of relax-

ation. Curves are being scientifically plotted to show that there are certain periods during the day as well as during the week, month and year when the powers of the worker, no matter of what type, are at an ebb. It is the wise employer who applies the results of this type of investigation to the conditions in his own plant. These questions of rest, change, light, heat, ventilation, seem self-evident on the face of the matter but the fact remains, nevertheless, that men of apparent ability and education seem for some reason or other to be blind to their importance when applied to industry. In their desire to stimulate production they lose sight of the means of stimulation."

Struthers stopped. Hardwick lifted his eyes questioningly.

"Is that all you have got to say about the matter of health in industry or rather is that all that has been done to insure health in industry?" he asked. "This is all very interesting. I didn't imagine so much thought, scientific thought, had been given to the subject."

Struthers smiled.

"I know. Therein lies the hope of the future. Letting men of your type know what is being done and then hoping that they will be inspired to use that knowledge to the advantage of their men. In the long run, this means to their own advantage. You ask whether that is all that has been done along lines of health? By no means. It would take a good many

more evenings to go into every detail that has been adopted. All I am trying to do is to give you a general idea of the trend of industrial progress. Restaurants have been installed, in some instances meals are given for nothing, in a good many others they are sold at cost price. The Metropolitan Life Insurance Company is an example of the first type; the Endicott Shoe Company of Massachusetts, the Joseph and Feiss Company of Cleveland, The General Electric Company with plants in several states, the Jeffrey Manufacturing Company of Columbus, Ohio, the Altman Department Store in New York and a vast number of others are instances of the second.

RESTAURANTS

“The work of the Metropolitan Life Insurance Company deserves special attention. Of such high standard are the meals that it is not unusual for the managers of the different departments to come to the company dining-room at luncheon time. Thousands of workers are fed there daily. When a clerk is employed, a seat in the luncheon room is assigned him and a luncheon ticket is supplied him. On this is printed the name of the individual, the division and section of employment, the hour of luncheon—either 12 or 1 o’clock—the number of the table and his particular seat at the table. The card has blank spaces for non-fast days and for fast days on which the clerk

indicates whether, for instance, he or she wants meat or fish on Fridays; where meat or crackers and milk with dessert is desired generally for luncheon; whether tea, coffee, milk or buttermilk is wanted as a drink. The dining-room is divided into sections and each section is served from a separate pantry. There are seven pantries. Each waitress serves twenty-two or twenty-four individuals. The cards when filled out are all turned into the Commissary Department where they are grouped according to the section served by individual waitresses and the information on these cards is transferred to a little book which each wears attached to a chain at her belt. Reference to this shows her the number of portions of each part of the luncheon she is to serve and to which seats they go. So that there may be no confusion, the cards held and filled out by the clerks having luncheon at 12 o'clock are plain white, while those having luncheon at 1 o'clock have a red line printed across them. If a clerk wants to change the general character of his luncheon at any time, he may do so by simply giving notice on a duplicate card. During vacation time when perhaps two or three hundred clerks are away at one time, notice of proposed absence is sent by division heads to the commissary and at the end of each week he makes deductions from the number of portions of each article of diet, thus preventing waste. From the waitress's book of records, a transfer is made to a separate sheet kept in the commissary de-

partment which insures his knowledge of the total number of meals to be served each day. A copy of this record is sent to the pantry man, the chef, the head baker and the storekeeper.

"More than half the clerks want ice-cream. All of them want some dessert. Accordingly there is posted in the luncheon rooms each day the choice of desserts for the next day and on each table there are blank forms which are essentially table diagrams on which each individual indicates whether or not he wants ice-cream on the day following. Within ten minutes after the dining-room has been cleared an adding machine has indicated to the commissary chief the number of portions of ice-cream to be served the next day. Those who do not want the ice-cream get the alternative. This is usually pie. This check up on the number of portions of ice-cream also serves as an indication of the total number of meals to be served on the day following. Since the attendance at the dining-room is not compulsory, a check of some sort is necessary to gauge the amount of food to be cooked.

"I was very much interested in discovering whether the salaries of this company were by reason of this free luncheon system any lower than those of the other insurance companies."

Hardwick bent forward with interest.

"Well," he asked, "aren't they? Surely there is some nigger in that woodpile."

Struthers laughed.

"Funny, Hardwick, that you should have used that expression. I heard Hurley use it in reference to something very much along the same line of thought. No, there is no nigger in that woodpile. The salaries are on a par with those given by other insurance companies. The only nigger I could discover was an honest desire on the part of the company to make their employees satisfied with their working conditions. I'll have some more to say on that subject later on. What I have told you will give you some idea of the work done with clerical forces. Let me give you an illustration how this luncheon service works out with the type of men that you employ.

"The General Electric Company at Schenectady is as good an example as any. About 3,500 meals are served daily at a nominal cost. Some of these meals are breakfasts, some midnight lunches, some suppers and some midday lunches. Until recently they had a waitress system, but this has been changed to the more efficient self-serve system whereby each employee helps himself as he passes the trays of food. Promptly upon the blowing of the whistle at noon, for instance, four lines of men form in front of four cash registers to purchase their luncheon tickets. After they get their tickets, they form in line at four belt conveyers or moving counters which carry the aluminum trays on which the men place their luncheons. The belts travel at the rate of sixty-five feet a minute and allow fifteen seconds for the man to select his food. Fifteen

seconds may sound like a very short space of time, but if you have ever been in a cafeteria you will appreciate that it is quite sufficient in which to make your choice. The man follows his tray which rests on the conveyer and helps himself to either meat or fish, then potatoes, tomatoes, pudding or pie and milk or coffee. All of these things are ready for him on a hot steam table which stands parallel to the belt conveyers. By the time he has his complete luncheon placed on his tray he is within five or six feet of the end of the belt, where a checker sees that the amount of his pay check tallies with his meal. After removing his tray from the belt the man takes it to his seat. Tickets are sold only to capacity, so that every man is assured of a place where he can sit down to eat. The dining-room is cleared at short periods and new shifts of men pour in.

"The Underwood Typewriting Company has still another system of providing food to those employees who wish to take advantage of their luncheon service. The employees buy one dollar's worth of two and a half cent stamps which have been especially printed for this purpose. Every department has two boxes within easy reach of the employees. One of the boxes contains the menu for the day; the other serves as a receptacle for signed and stamped menus. The employees who expect to eat in the dining-room select their meals on the menu by checking those dishes they desire, add up the total and paste the necessary num-

ber of gummed stamps in the blank space left for them. The menu is signed and deposited in the second box. At nine o'clock the orders are collected and the food prepared according to the number of cards received. In inclement weather special distributions of menus are made at eleven o'clock in the forenoon.

"The average cost of the luncheons in every case where the plant makes provision for them is far below the level of that of ordinary restaurants or even of meals served at home. The Joseph and Feiss people, for instance, have box lunches consisting of two sandwiches, a relish, pie and fruit, which cost only ten cents.

"The average cost of luncheons at the Mechanical Rubber Company of Cleveland is eighteen cents. The same average holds true of the Cleveland Foundry Company.

"This method of providing luncheons for employees at a nominal cost has been adopted by hundreds of establishments. The value of such a system in relation to the efficiency of the plant is readily understood. Take a man like this Larry boy who suffered the accident last week. I don't know what his wages are, but being an apprentice, I can readily imagine that they are not very high. He supports his mother on them. That makes it doubly hard. Under an ideal system of society, his mother would, of course, not be a burden to him. There would be some way in which she would be provided for. By the way, was Larry's

father an employee of yours? He was. Well, we'll discuss that later. To go on, however. We are not living under an ideal state of society and this youngster feels it incumbent upon him to economize in every way to make ends meet. With an ignorant sense of perspective and a lack of appreciation of values and proportion, he stints himself on his meals. That is not pure imagining on my part. You would be surprised to know to what an extent the second meal in the day is either eliminated or cut down. The natural reaction on this is decreased vitality which means decreased or lower production for the afternoon's work. The same holds true for the man who comes to work on an unwholesome or deficient breakfast.

"The time of eating on a hit-and-miss basis is past. Scientific research has proven that the healthy man needs a certain number of calories of food to continue healthy. What's more, those calories cannot consist of potatoes alone or bread alone. They must be judiciously mixed so that all of his fibers and tissues get the proper proportion of nourishment. You may say that you are not a food expert and that it's not up to you to prescribe a diet for your workers. Very true. But if you want to consider yourself an expert in the work you are doing you will have to appreciate the fact that the amount and kind of food your employees eat have a definite bearing on the amount and kind of work they turn out."

Hardwick interrupted with a question.

"What would you have me do? Go into the home of every one of my employees and find out whether he eats the proper food at the proper time and, if he doesn't, take him with me and feed him at the plant?"

"No, by all means, no," Struthers retorted. "All you've got to do is to make it possible for the men you employ to get a square meal at a low cost if they want it. And by 'want' I mean the original meaning of the word; if they need it, if they are in want of it. Don't you mix yourself up in it at all. In fact, keep out of it altogether. Don't act the gracious, bountiful host. They will hate it as much as you. Make the meals a part of the natural workings of the plant, to be taken in the same impersonal way as the machinery or the furniture of the plant. Let the men grow to appreciate the fact that a good luncheon or a good breakfast is as necessary to a good day's work as is a well-oiled bit of machinery or a well-sharpened steel point. And remember always that you are doing nothing for them; that you are merely supplying another necessary adjunct to the conditions that will make for the success of your factory.

"There are one or two other things that I want to touch upon while we are on the subject of health. You noticed the condition that I was in when I came out of the shops to-day. Under ordinary conditions I should have been ashamed to greet any of my friends in the mess I was in. I mean the dirt and the grease and the grime. The conditions, however, are not ordi-

nary. Much as I should have liked to come out with a clean face and clean hands, I couldn't for the simple reason that there are no facilities in the place for proper washing up.

"'The grime of honest toil' is a picturesque phrase but it does not depict an especially healthy condition. Some of the old country wells are picturesque places but I'll be hanged if I'd take a chance or if you'd take a chance at drinking the water out of them. These things are obsolete, Hardwick, and you've got to understand that they are so from the standpoint of science and good health and not from the one of mushy sentimentality.

"Now, I can stake my word on it that the men in your place would much sooner go home to their families in clean clothes and clean bodies. The smell of a sweaty body added to the smell of the furnaces and the oil and the soot of the shops is not an especially pleasant one to sit down with at the dining table. You turn up your Patrician nose at that. The thought is distasteful. It is equally so to Plebeian noses but they have grown used to it.

"Why does every workingman's family look forward to Sundays? It's not so much that they do not have to work—although that is intricably woven into the thought—it is because they can be clean and fresh and eat and act like human beings. It's because they can sit down at a clean table-cloth and feel that that is the way the good Lord intended them to sit and

eat. I tell you, man, they revel in this Sunday sense of cleanliness.

"There is no reason in the wide world why these thousand men that you employ cannot go home every evening in a condition that is clean and healthy. There is no reason why I can't come to your home after a day's work in the drill shop and feel that I am not soiling the things with which you have surrounded yourself. I do not expect to be able to come in a dinner suit, but I do not see why I can't come in something different than the clothes in which I work. I do not see why I can't come with hands and nails that do not smell of the lubricating oils. You catch my drift, don't you?"

"I do. Go ahead. What do you want me to do to turn my employees into sweet-smelling, Godlike cherubs?"

"There you go again, Hardwick. It's your attitude, man, that's all wrong. Just as long as you feel that way you won't accomplish anything, no matter what money you expend."

"All right, Struthers, I understand. I really did not mean to be sarcastic but your idea that the men want to be cleaned up is rather amusing."

"That idea is amusing. The men do not want to be cleaned up. But give them the opportunity to clean themselves up and you will see how quickly they will take advantage of it.

"Your employees are no different from the em-

ployees in the plants where cleaning up facilities have been provided. What the men in other establishments have done, your men will do. Human nature is the same all over. Expect a man to be clean, provide him with the means to be clean and he will most assuredly come up to the scratch. The installation of lockers and baths and basins would not be done on as wholesale a scale if the idea behind it—that the men are much happier when they can go home in a presentable condition—were not based on truth.

WASHING-UP FACILITIES

“Most of the steel companies have spent vast sums of money on improvements of this nature. To-day sanitary conditions in some of their plants are ideal. They first provided lockers where the men could change their street clothes for working clothes. These lockers were situated in one part of the building and the wash basins in another. The plan didn’t work. The men didn’t like to walk from the sinks to the lockers. It took too much of their time. In appreciation of this, new improvements were installed which placed the lockers in close juxtaposition to the rows of sinks. To-day, a man after work hours walks into these wash rooms as a matter of course, gets out of his working blouse, washes up, changes into his street clothes and goes home in a condition no different than that of the office help. The sinks are of the most im-

proved sanitary plumbing. The possibility of infection of any sort has been reduced to a minimum. Most of the spigots are built with extensions that rise up to the height of a man leaning over. A spray is attached to these extensions so that the employee can comfortably place his head under the water and let the constant flow of it wash away the accumulated dirt of the day. The water flows freely into a waste pipe and is not allowed to accumulate into basins. The soap in almost all instances is in receptacles in either powdered or liquid form.

"Each man has an individual locker where he keeps his street clothes. Some organizations have a system whereby each man has an individual hanger which is drawn up into the air by means of a pulley. A specially equipped ventilation system keeps these clothes aerated and free from infection. Constant tabs are kept on the efficiency of these different systems and changes are made just as soon as it is discovered that one is of greater value than another.

"The National Cash Register Company at Dayton, Ohio, is another of the progressive organizations that has taken an active interest in the study of the relationship between cleanliness and efficiency. They have provided three hundred shower baths and fifteen bath tubs to meet the needs of their employees. During the winter they allow twenty minutes of the company's time once every week for the use of this equip-

ment. In the summer time, they allow two such periods.

"The Norton Company has most of its wash rooms equipped with shower baths. The same is true of the United Shoe Manufacturing Company and the Endicott-Johnson Company and the National Carbon Company. The same is true of hundreds of other establishments where any attempt has been made to introduce health measures of any sort. In fact, most of these people speak of their showers and sanitary basins and lavatories in the same breath as they do of their rest rooms and hospital equipment. I could go on indefinitely quoting instances where measures along these lines have been adopted.

"A thorough investigation of that list published by the Bureau of Labor would probably show the great trend of this type of industrial work. You would be surprised at the number of improvements introduced in some organizations. Some establishments supply their employees with umbrellas on rainy days. Others have changes of clothes for the men and women coming in from a storm. These latter usually have special drying apparatus installed to take care of the wet garments. You see, Hardwick, the things that your grandfather may have considered in the light of air-castles and a fool's paradise are to-day thought of as primal necessities, working toward the success of the plant. Even if you refuse to grant the conten-

tion that the men themselves want these improvements, that their sense of innate decency pleads for them, then as an engineer of a big machine, if such you choose to call your plant, as an engineer, I say, you ought to appreciate the value of having your cogs well cleaned and well lubricated. Here, this stuff may interest you," Struthers said, passing some pictures over to Hardwick. "It shows some of the interiors of some of the plants we have been discussing."

Hardwick smiled as he fingered the illustrations Struthers gave him.

"Discussing, Struthers? Who's been discussing? It seems to me as though this has been pretty much of a one-sided affair. You have given a good deal of attention to the workmen's end of it, but where do I come in? Do you realize what carrying out a program of this nature would mean in so many dollars and cents? All this sounds very well in theory but when it comes to actual practice, it's another story. In spite of the fact that the men choose to see in me the gouging exploiter of labor, I want to assure you, Struthers, that this plant is not the storehouse of wealth you may believe it is. The only reason I am holding on is that it's been in the family too long for me to let go. I can just about make ends meet now but I do not see where I can make an outlay of the sort that you suggest. I have been very frank with you. I want you to understand."

Struthers leaned forward.

"I understand, Hardwick. I understood when I saw how things were running here. What you say of the initial outlay is very true. It would amount to something. But, man, don't you see that the reason you are no more than making things meet is due to just these conditions which need change; that the success of the plants that have incorporated these measures is to a large extent due to that very lubrication of human relationships arising out of better working conditions? Don't you see that just as long as you go in this slipshod manner—for it is a slipshod manner in spite of your skilled workmen and fine machinery—you will not create the spirit out of which you can build something new?

"The trouble is, Hardwick," Struthers went on, "that you are tied down by traditions. You want to make a success of life and you imagine that you can do so by following family precepts. Cut yourself loose from the dankness of the old system and try your hand at the freshness of the new. I confess I sound like a two-penny advertisement, but in the name of all that is true, Hardwick, dankness, and dirt, with its possibility of disease, never will succeed. You have got to give your employees more than a machine to work on. You have got to create for them an environment in which to live. I mean live and not merely apathetically exist. The parting with your grandfather's shekels may be hard, but it will in the long run mean the happiness of his grandson.

These things will come to pass eventually; it is the wise man who perceives the trend of the current of the inevitable and enters into it before he is forced into it. Thank the powers that be, Hardwick, that you are not your grandfather; think what a wrench these changes and reforms would have meant to him."

Hardwick groaned.

"To him, to him! For heaven's sake, man, what do you think they mean to me? I can't say that you are using any anæsthetic measures in showing me the truth. The truth, that is, in the light that you perceive it. By the way, Struthers, how many more expenditures are you going to suggest? And will it be all spending on my part and nothing that will come in?"

"It will be all spending, Hardwick, until you catch up in the race; until you pass all those milestones of which I spoke to you the first day I came here. You see, you have neglected to do so many things that should have been done. The returns will come in gradually, in other ways besides dollars and cents."

"You mean . . ." Hardwick asked.

"I mean in confidence of the men; in an appreciation on their part that you are doing the right thing by them."

"Hm. You think that will come? You think that they will in any way alter their attitude toward the thing I stand for? Well, Struthers, as the Scotsman said, 'I hae me doots.' However, I shall want to talk

this thing over with you in greater detail. We'll see what's to be done. Will you come to see your boss when he sends for you?"

The men laughed. They sat together until late into the night discussing the newer movements of reform in its social and literary aspects. Change, constant change, characterized the features of all new life. The world demanded realism, a more intimate understanding of human values and human relationships, a more definite and satisfying adaptation to the things that make life worth living. Everything was an expression of the demand to live and partake fully of the richness and redness of life. The war had not had a little to do with this. Just as all had been ready to make the supreme sacrifice during the red carnage, even so all were now eager to take the full measure of the peace that had come after it. Things could not and would not go back to the old order. Wise men saw the signs and used them as stepping stones in the new relationship of men.

In the midst of their talk, Hardwick's servant came in and told Struthers he was wanted on the phone. He left the room. There was a smile on his face when he returned.

"I didn't know it was so late. That old bear, Hurley, was afraid something had happened to me and called up to find out. I told him I should stay here overnight. That will be all right, won't it?"

"Of course. You know I want you here. Hurley

called up, you say? Hurley mothering you? Hm—funny that. But who would have thought it of old Hurley?”

The men talked for a while longer, then bid each other good night and went to their rooms. When Hardwick came down to breakfast the next day, he was told that Struthers had already left.

CHAPTER FIVE

CONSTRUCTING CONFIDENCE

Two weeks after the evening that Struthers had spent with him, Hardwick had made arrangements to have the proper sanitary facilities installed in his shops. The men who had taken the contract for the work had been working around the plant for over a week, measuring and making plans. Hurley, who had been placed in charge of making the safety devices, watched them with interest. Occasionally he went over to them and spoke to them, asking them about the arrangements of the various improvements. The men in the shops were all intensely interested; Struthers watched them closely to see what their attitude toward the change would be and was pleased to note that it was one of pleasure. The thought that they would have a place to wash up before they left for home was apparently a welcome one.

During the noon hour Hurley called Struthers aside.

"Struthers, there's something I want to say to you. I think you ought to tell Mr. Hardwick. It's about that washroom for the furnace men. Those men will never use it unless it's put under the roof of their

building. This man Smith tells me it can't be done. I don't see why not. You can build an extension leading from the furnace room. The men won't travel from one building to another. They'd much rather go home dirty. It isn't fair to them. What's more, it'll be a waste of money to Mr. Hardwick if he has it placed in Building E, for it won't ever be used.

"If he's putting up these things he might as well do it right and place them where they'll do the most good. Come along. Let me show you what I mean."

Struthers followed Hurley over to the furnace room and observed the justice of his remarks. From his knowledge of the men in shops, he knew that they would not take the extra steps to the next building to wash up. He listened attentively to Hurley's plan for adding a small extension to the men's own building and installing the equipment there. He nodded in agreement as Hurley brought out the different points.

"Then you will tell Mr. Hardwick about this, Struthers. I think he ought to know."

Struthers looked keenly at Hurley. He bit his lower lip contemplatively. Finally he spoke.

"What about telling him yourself?" He watched the effect of the question upon Hurley, then turned on his heel and walked away. Hurley looked after him in astonishment. It wasn't like Struthers to refuse to carry out a reasonable request. And, as he saw it, it was all to the advantage of Hardwick to be

told. It was something constructive. The word caught his imagination. "Constructive." Of course. That's what Struthers had been talking about all the time. "Have you ever gone to Hardwick with anything constructive?" he had insistently asked. Well, he had something constructive now. He saw what Struthers was driving at and smiled to himself. Hardwick had been pretty decent about that safety work, but habit was habit and the thought of approaching him of his own accord in the man's private sanctum was not without its difficulty to Hurley. He stood debating the question in his mind for several moments, then walked over to the plant telephone. He asked for Mr. Hardwick. The man's voice came rumbling over the phone. Hurley quickly made known his request for a few minutes. His employer told him to come along.

The old bitter lines were around Hardwick's face when Hurley entered. He looked up from the paper before him.

"Well, Hurley, what is it? Things gone wrong in the shops again, men making new demands or what?"

Hurley flushed.

"No, sir, it isn't that this time. It's something else I wanted to talk about. It's the new wash rooms. I think the men are making a mistake in the furnace-men's room. I think you'll understand, sir, if you see the conditions."

He went on to explain. Hardwick listened to him with interest. Every now and then he nodded in

agreement. As Hurley pointed out the advisability of building the extension, he rose.

"Just a minute, Hurley. Let's go out and see what can be done over there. What you say sounds very reasonable. However, I don't know whether we can have the water pipes connected to an extension."

The two men left the room. In a little while they returned and sat down, making rough sketches on paper. It was late in the afternoon when Hurley went back to the shops. He said nothing to Struthers until that evening when they were at the supper table.

"I saw Mr. Hardwick this afternoon," he began.

"Yes, so I saw. He didn't bite you, did he?"

"No, he didn't. He was mighty decent—about that. He's going to build the extension if they can carry the water pipes around. I think they can. But, Struthers, there's something else I want to talk to you about. He said something about having a doctor's room and maybe a restaurant later on. It's about this doctor's room. What does he expect to do? What's this doctor going to do?"

"Why, what do you mean, Hurley? What do all doctors do? He'll be around to take care of the men in the shops in case they need care. He'll probably arrange to give all the men a physical examination first. That's the proper starting point."

Hurley's mouth grew hard.

"I knew it," he exclaimed. "I knew it. Didn't I

tell you, Struthers, that every time that man did anything, there'd be something behind it? I tell you, you can't trust him to do the right thing. I knew something like that was going to happen all along. He may be able to hoodwink you but he can't do it to me. What's more, the men won't stand for it and I'll be hanged if I see why they should. I tell you, they'll walk out first before they'll stand for any doctor's examination of any sort."

Struthers looked at the man in amazement.

"What the Sam Brown are you driving at, Hurley?" he asked. "Why should the men walk out? What's the objection to having a doctor? Don't we need one?"

"Heaven knows we do, but not the kind that he's going to get and not for the purpose he's getting him. You don't understand, do you? Well, I'll tell you. The only reason Hardwick is getting a doctor is to have the men examined so that he can fire the ones that aren't just up to form. After having used them until they aren't worth all that they were ten years ago, he's going to throw them into the ash-heap and get others to take their place. It's been done by others and it will be done by him. A man is examined; they find something wrong with him, he's either fired for good or laid off until he's cured. And cured by whom? By the doctor who lays him off. How long does he stay laid off and how long does he lose his wages? Until the doctor has gouged everything

he can get out of him or until there is a rush of work and the boss needs him at the works. It doesn't matter then how sick a man is. Struthers, I tell you, the men won't stand for it. If Hardwick thinks he can pay for all those things he's putting in by laying the men off, he's mistaken. They'll quit work right now when he needs them before they'll see him come pussyfooting around here with a paid leech. Man, man, don't you see his plan?"

Struthers stood aghast at this explosion on the part of Hurley. The deep-rooted suspicion that the man opposite him voiced was beyond belief. The two factors did indeed stand on two sides of the fence. What's more, it was a barbed wire fence. The cutting away of the tearing hooks was work that was trying the soul of him. Hardwick, the stronger man, had gone a good bit of the way; his was the first step, it necessarily had to be. But here was Hurley, bitter, antagonistic and soaked with a spirit of suspicion that was difficult to bend. Struthers knew of cases where unscrupulous employers had indeed hired doctors for such purposes as Hurley had described, but it had never dawned upon him that Hurley would suspect that he, Struthers, would stand sponsor for a scheme like that. Struthers cursed the system that had given birth to such bitter hatred and misunderstanding between men whose powers might be harnessed together in the run for their mutual happiness and well-being. His mouth closed in a hard firm line. Hurley had

never seen Struthers look just like that. He misunderstood the meaning of it. A hard bitter laugh escaped him.

"It isn't pleasant, is it, when a man you call your friend plays a dirty trick like that? You thought Hardwick was all square, didn't you? Well, he almost had me fooled and I should have known better. What do you think of him now?"

Struthers motioned to a chair.

"Sit down, Hurley. I want to talk to you. First of all I want to ask you a question. Do you trust me?"

"Trust you? I guess I do, Struthers. The trouble with you is that you trust others too easily."

"That's not the point," Struthers replied. "The trouble with you is that you trust nobody who's superior to you. It isn't Hardwick you're pitted against. It's the thing you imagine Hardwick represents. Well, suppose I tell you that Hardwick does not represent that thing; that Hardwick is not exploiting you; that on account of the constant bickering between the men and him, this plant that means your daily bread is being run on scarcely any profit at all and that Hardwick is sitting close and not locking up because of a bit of sentimentality attached to the place. Oh, I am holding no brief for him. There is no reason in the wide world why this place should not be run successfully, but remember, please, that even as much as you have cause to be bitter against

him, he has cause to be bitter against you. You are letting loose your anger against the misjudgment and dead methods of a past generation. At the same time you refuse to accept the reforms of the new generation. Any effort that is made on the part of Hardwick toward bettering conditions in the plants here, is taken up by you with suspicion and disdain. I honestly believe you would much rather there were no reforms. You are afraid of parting with your grudge against Hardwick. It's something that you want to nourish and coddle and pet. Well, let me tell you, Hurley, you won't be able to nourish and coddle and pet it much longer. Hardwick is on the square in this and I know it. When you called me up at his home that night several weeks ago we were talking over plans for making the works clean and sanitary and for installing a medical department. Those were my ideas based on actual experience with them in plants where they have been successfully tried. And by success, I do not mean money added to the coffers of the plant by laying off men but by keeping the men who are employed in a healthy and wholesome condition. It was they who were enabled to make more money as well as the management who directed their productions. Can't you understand, Hurley, that a healthy man means more wages as well as higher production and won't you understand that Hardwick's motive in this is nothing of the kind that you imagine? He will profit in the long

run, it is true, but only to the extent that you men will. Why won't you see that you've got to work together in this arrangement if you hope to make a success of it? Why won't you stop growing suspicious of him and impugning motives to him of which he is not guilty? What makes you believe that only you have the power to see the light of a new order of things and that Hardwick is blind to that same light? Hurley, Hurley, no wonder this old world moves so slowly. It's men like you who do a great deal toward retarding its progress."

The deep earnestness of the younger man was not without its effect on Hurley. He shuffled uneasily in his chair. Struthers walked up and down the room impatiently. After a few minutes of silence, Hurley spoke.

"Would you mind sitting down, Struthers, and telling me all about this? I'd like to know. And I'd like to know straight."

Struthers sat down at the opposite side of the table. The two men faced each other squarely. Struthers began to speak. In a low voice, resonant with feeling, he told Hurley about his talk with Hardwick. He told him, as he had told Hardwick, about the things that were being done by other large employers of men; he impressed upon him the effect it had on the work of the men and the happiness of the men; he showed him that in the mutual confidence of the men lay success and that in lack of it lay failure.

making the comparison. Hardwick and he. Struthers had said something about their being alike. He had resented it. But there was something in it. Hardwick had been suspicious of the motives of his visit when he had come to talk about the change in the furnace house and then had thawed out when he saw the truth of the situation. He, Hurley, had been suspicious when Hardwick had told him about the new doctor and then Struthers had shown him the truth behind that. Six of one and half dozen of the other. Struthers had spoken about confidence. "Confidence." It was not a bad word. Nor did it mean a bad thing. If Hardwick had had confidence in him he wouldn't have suspected him of being the messenger of unpleasant information when he entered his office that day; if he had had confidence in Hardwick he would not have suspected him of any subtle designs when he left his office that afternoon. If—if—but Hardwick was Hardwick and he was Hurley. It would take time—time—to change the meaning underlying the two names. But confidence was good. Very. He, Hurley, had made a step in that direction when at the instigation of Struthers he had gone to Hardwick with his suggestion. A light came into Hurley's face. And he, Hardwick, had also made a step when he had spoken about the doctor and the restaurants. He had not seen it in that light before. He saw it now. A smile passed over his face. He looked up to meet Struthers' eyes. The chair op-

posite him was empty. His eyes went to the door of Struthers' room. A shaft of light showed through the crack. Hurley went over and opened it quietly. Struthers was bent over a pile of papers and notes. He did not see Hurley standing there in the doorway. With the deep respect for knowledge common to men of his type, Hurley quietly closed the door behind him and left Struthers to his work. An amusing phrase passed through his mind as he prepared to go to bed. It was in description of the picture Struthers had made leaning over his papers. "Constructing Confidence." Hurley smiled. Not bad, that. Constructing confidence. Some day, he thought, he would tell Struthers about it.

CHAPTER SIX

EDUCATION

ONCE more Struthers was seated in the chair before the fireplace at Hardwick's. He had come on special invitation of his host. The two men were discussing the improvements being made at the shops. Things were going at a fair rate of speed. Hardwick made comment on the interest the men were taking in the changes.

"You know, Struthers, I didn't believe that an old fellow, like Smith at the lathes, would be interested in things like washrooms. I was passing his bench the other day and heard him tell the young fellow he works with that his old lady wouldn't know him when he came home all clean and 'smelly of soap' as he put it. He tried to be sarcastic about it, but hanged if the old man didn't like the idea. Hanged if he didn't and—hanged if I don't. Well, now that you've managed to put that across, is there anything else that you want to be relieved of? Or are you all played out? Frankly, I should like to know where this is going to end. Or isn't it going to end? Come on there, take that old pipe out of your mouth and stop look-

ing like a sphinx. What's next? Or is this all? If so, Allah be praised!"

Struthers took a last long puff at the seemingly offensive pipe. He faced Hardwick with a grin.

"I'll take up your questions in order. That is the scientific way, isn't it? First of all you want to know whether there is anything else I want to get off my chest. There is. Secondly, am I played out? Far from it; very far from it; farther than will be comfortable for you. What was the next question? Something about where it was going to end. Suppose I tell you that it's not going to end ever, for the very simple reason that you won't want it to end. You want to know what's next? Very well. Here goes. An educational program for your employees."

Hardwick turned around in his chair so that he faced Struthers.

"What's that you said? An educational program for my employees. Oh, come now, man, this is going too far. I can understand the value of those other things you talked about, but educational programs—what do you mean by an educational program? Must I hire instructors to teach them the A B C's and how to count up their weekly wages and the number of hours they work overtime? The Lord knows they never make any mistake about that. Or do you want me to give them something in the way of higher education like Debussy concerts during working hours or talks on the astral self? Or maybe more elementary

subjects like sociology or economics? Come, come, man, be sensible. There is a limit even to a good thing."

"True, but you haven't reached the limit," Struthers made answer. "Not by a long shot. What's more, you know as well as I do that I do not mean any of those fool things you've mentioned. Debussy and the astral self! Rot! There's one thing you've got to say in favor of your people here. They do not waste their time on balderdash of such nature. It's not in their make-up. That's why their brain associations are more sane. You say education to them and they would neither think of learning the A B C's nor of the higher arts. They think of it in definite relationship to their work. Take our friend Hurley, for instance. What do you think the word education conveys to him, eh? What do you think? Rest assured it is not dabbling in dilettante fashion in futuristic arts. It's something real and definite and worth while. It's something that he's missed in his life and something that he's conscious of having missed. It's t-squares, and blue prints and compasses. It's the power to put upon paper the nebulous things in his brain that seek expression. He gets along in some fashion without them. True. He gets along. But the root of Hurley's bitterness toward life in general, and toward the thing you stand for, in particular, is based on the fact that Hurley was robbed of the opportunity to be the man he might have been in

different circumstances. What have you got to do with those circumstances? Nothing, I admit, as far as you personally are concerned; something, insofar as the old system of which you are a product is concerned. Hurley is to-day a foreman in a drill shop and not a mechanical engineer because Hurley's father could not make ends meet with the results of his toil. The fault, then, lay with Hurley's father, you'll say. Maybe it did; maybe it didn't. We would be going around in a vicious never-ending circle if we tried to trace the cause and effect of this problem. Nevertheless, whosoever fault it was, you will admit that Hurley as an engineer would have been vastly more valuable to society and you, than Hurley as a foreman. And what is more to the point, Hurley as an engineer would have been vastly more valuable to himself and vastly more happy. After all that is the true criterion of value. Personal happiness, I mean. You agree with me there, don't you?" Struthers asked.

"True, so far as this individual case is concerned," Hardwick agreed. "But take Johnson. Would you have me turn Johnson into a mechanical engineer; Johnson, who to save his soul couldn't tell you the difference between a right angle and an obtuse angle? Or take Mawkins whose main interest lies in dabbling with columns of figures. Would you have me turn him into a mechanical engineer?"

Struthers impatiently brushed the last two statements aside.

"What you say is entirely beside the point. About Johnson and Mawkins, I mean. Johnson is happy where he is. So is Mawkins. In some future state of society perhaps the happiness of the Johnsons and the Mawkinses will depend on more than the things that satisfy them now. I am making no endeavor nor holding any brief to raise the level of happiness to which these people can attain. That is an entirely personal matter. All this uplift stuff has always made me see red. There is no need to tell people like Johnson or Mawkins that the higher life lies in reading Shaw or Nietzsche or Schopenhauer. They don't want Shaw and Nietzsche and Schopenhauer. Neither do they want to be engineers. They want to be happy. As far as I know they have reached the limit of their capacity for happiness. More money would make a difference to be sure, in quantity of pleasures but not in quality. As far as I know they fit into the niche in which they find themselves. They can offer no more to society than they are offering to-day. They want to offer no more; they are conscious of the fact that they are capable of offering no more. They have a definite place in the mosaic of life and they are filling it.

"Hurley's case is different. And when I say Hurley, I am merely giving a name to an existent type. I mean the individuals whose natural powers have been dwarfed and distorted by force of circumstances. I mean the men and women who have had to satisfy themselves with giving mediocre service for lack of

opportunity to develop their powers and abilities so that they could give expert service.

"Under an efficient order of society the Ben Hurleys would have ample opportunity to cultivate their powers up to the highest possible point. In the days of Ben Hurley's youth the expression of such a thought might have been considered wild idealism or worse still, arrant socialism. I am an apostle of neither, Hardwick, but as I have iterated and reiterated before, progressive American industry is fast taking into consideration the value of human relationships and human happiness. And the education of the young men and young women in industry is to my mind one of the most important milestones that the van of the movement has passed."

Hardwick interrupted Struthers with a question.

"Would you have me send Hurley to college to-day? And would you have me seek out the numbers of other instances of square holes in round pegs and send them through a course of training that will round their corners? The thing is done, Struthers, and it can't be changed. This world is not a place where complete justice is done. One man gets too little; the other too much. Nobody gets the right measure. Take Hurley; and take myself. We are about the same age. I don't for a minute doubt that Hurley if he had the same training I got would have developed to the extent that I did. But, as you say, conditions and circumstances did not allow it. I got more than I

deserved from the point of view of idealistic theory; Hurley got less. I admit it's a shameful injustice, but that's life, Struthers, and you can't change it."

"You can't? Who says you can't?" Struthers flung back. "Because the old lady you call life bungles and makes a bad job of things is no reason why people with foresight and power and time should follow in her footsteps. The old lady has too much work to do keeping this round ball in motion to take care of individual cases. She does things carelessly, prolifically, inefficiently. The happiness of one person or one group of persons doesn't matter. It can't matter to her; she has too much to do keeping the breath of life going, going, going all the time.

"She hasn't the time to grease the tracks for everybody. Therefore they are hard and noisy and bumpy. And then you sit back in smug complacency and do nothing but blame it on her. You forget that she's busy all the time creating new life and that she has left it to you to smooth down the road and make the going easier for some of your fellow-beings. She has given you the ability and the training to do the job; go ahead and do it. Don't waste your opportunities.

"There is no question of sending Hurley to college," Struthers went on. "That thing is over and done with. First of all, he is past the college-going age, and second, he would laugh at the idea. But take the embryonic Hurleys, the boys in your shops who are employed at the little odd jobs. Most of them doubt-

less do not want to do any more than they are doing to-day. But five or ten or fifteen or more of them may have dormant powers within them that need only a bit of encouragement to fully awaken. Take that boy Larry who fell off the ladder that day. Larry is working as an apprentice in the drill room, doing bits of odd jobs, picking up things, handing over things, and working on a machine occasionally. I have seen Larry during lunch hour working over those machines the way none of your older men do. Trying to find out how the wheels go round. I have seen Hurley watching Larry with a dogged sort of understanding that sympathized with the lack of efficiency of this world which allows powers like his to go unexpressed. There is no reason in the world, Hardwick, why you shouldn't bring out these powers for your own good as well as for the good of the boy. From the point of efficiency, entirely. There is something vital and real there that needs improvement. As a human engineer you ought to appreciate the value of such improvement work."

Hardwick broke in as Struthers paused for a moment.

"Come now, Struthers, as a human engineer you know that when a big job is being done you can't pay attention to little details, that I can't, and other employers can't follow up the natural propensities of their apprentices and office boys and see that they get the proper training."

Struthers laughed.

"I may have been carried away too greatly with the subject and thus have given you a wrong impression. I do not mean that you should send all these youngsters to college. I do not mean that you should personally take it upon yourself to educate them. What I mean is that you should create the means in your own plants for proper development where there is a demand for it. Create the opportunities in the way of apprenticeship courses. Those who have the latent powers will come to them eagerly; those who haven't will stay away. Before very long you will have sifted the wheat from the chaff. And the cultivation of this wheat will, in time, mean something very valuable to you."

Again Hardwick broke in.

"Before you go on, Struthers, I wish you'd explain what you mean by apprenticeship courses. Is this something new with which you want to experiment or is it something that is already being tried out? This business of educating your employees is one of the most surprising bolts you have yet thrown at me."

"It's merely this, Hardwick," Struthers replied. "A good many plants in this country as well as in other countries have inaugurated a system of education whereby the employee who is anxious to develop himself along the lines in which the plant is interested has an opportunity to do so during part of the working hours and at the expense and under the tutelage

of the company. For instance, in a case like Larry's: If he were working in a shop where such a system had been installed, Larry, who has only the rudiments of a grammar school education, would doubtless be attending classes in the shop for about two hours every day where he would learn how to be a pattern-maker or an expert mechanic. A special room would be set off for this purpose where an expert in this work would give the boys the theoretical education. They would learn all about the wheels and cogs and belts and power that make a machine go round. During the rest of the day they would, through actual operation of machinery, see the theoretical rules put into actual practice.

"If Larry had a high school education, he would doubtless attend an extension course, still under the company's time, that would prepare him for higher technical work and give him the rudiments of an engineer's course. Again, even though Larry has only a grammar school education, he could, under conditions obtaining in some of the plants where this educational program has been highly developed, take extension courses in the academic subjects fitting him for the advanced work and thus prepare himself for the higher vocation.

"In some instances these courses are given in the plant, during working hours; in others, they are given in the plant schools after working hours; in still others they are given in the city or town high

schools and technical institutes which by special arrangement with the plants allow the boys to alternate between attendance at school for three months at a stretch and attendance at work for three months at a stretch. In every instance the boy receives a regular apprenticeship wage so that he does not suffer for want of monetary assistance.

"In those few instances where the boy shows marked ability along certain phases of work he is allowed to complete his education to the extent of enrolling in the colleges or universities that specialize in engineering work.

APPRENTICESHIP COURSES

"A definite instance of this type of industrial reform is the work carried on by the General Electric people. The boy with the grammar school education working in their plants can get the training that will enable him to take a position as an all-around machinist, a special tool-maker, an expert molder, a pattern-maker or a technical draughtsman. The instruction consists of classroom instruction where lectures are given in the subjects of algebra, plane geometry, solid geometry and anything else that may be verbally explained and illustrated on the board. The classes are kept small, generally not exceeding twenty in number.

"For all beginners in the trade of molders, pattern-makers, machinists and draughtsmen, the com-

pany provides special training shops where the boys receive individual instruction under competent men engaged for just that purpose.

"As the students become more advanced they are transferred to the regular shops, where their education is continued under the direction of the foreman of the department and his assistants.

"At the end of the course in the machinist's trade the boy, who slightly over four years ago was in the grammar school, has become a full-fledged journeyman and is fully competent to operate the machinery found in the ordinary machine shop, such as drill presses, lathes, planers, shapers, boring machines, universal grinders, gear cutters, and threading and milling machines. In addition to these machines, the boy is able to work successfully on the bench with file, hammer, and chisel.

"Equally skilled in the use of the tools of their trade are the graduates from the molder's course, pattern-maker's course, draughtsman's course, and blacksmith's course. Thus some men are trained to design machinery and perform the necessary calculations; others to make the patterns and the molds in the foundry and pour in the molten metal, to machine the castings to dimensions accurate within one-thousandth of an inch; still others are taught to work the steam hammers for making forgings, or delicately tempering certain parts, or making tools for turning out other parts.

"For the boys from eighteen to twenty years who have a high school education or its equivalent this company has two specialized educational courses in departmental schools. The first is the electrical testing departmental school. This course, which lasts two years, consists partly of work in the shop where the boys are under individual instructors and partly of classroom instruction of one hour or more each week. Besides the classes which are attended on the company's time, the students attend the night schools, the vocational schools and the extension college courses. In addition to the classes held during working hours, the boys are taken on inspection trips through the shops, undergo examinations to test their powers of memory, observation and reasoning and receive special guidance in their reading program.

"The work differs greatly from the apprenticeship course I mentioned before. In the armature department, for instance, the students are not required to wind armatures or coils, nor to perform any of the processes of manufacture, but are there solely for the purpose of becoming acquainted with the various methods of design, construction and manufacture of the article. While the apprentice is working upon a machine tool as a machinist, these students are studying and testing the winding of armatures, learning the theory of electric motors and dynamos, and making themselves generally acquainted with the laws of electricity.

"During all this instruction, the classroom work and the shoproom work are closely interrelated. The first gives the boy the why and the wherefore of the shopwork and the second gives concrete examples of the theories explained during the lectures. The second half of the course is spent, in part, in testing safeguarding devices which automatically cut off the electric power from machinery that is overloaded or badly handled. The rest of the time is given over to the study of the distribution and control of electricity. The aim throughout the course is to give the boy a practical working knowledge of electricity and electrical machines. After an additional six months' actual work as routine test men, during which time the weekly classroom work is continued, a final examination is held which shows the fitness of the boys for advanced engineering and commercial work.

"The second course given to boys of high school education is one of Switchboard Department Test Men. The curriculum is quite rigid and provides for two hours each week of classroom instruction on the company's time. Every student must prepare the work required and master the subjects given. If a man misses two or more lectures in succession, without a satisfactory excuse, he is automatically dropped from the rolls. If he is absent from four or more classroom sessions during the entire course, he must pass a special examination on the work missed. The engineers in charge of these classes are available an

extra hour every week for giving advice, answering questions, and consulting with the students.

"During the first six months of classroom work the students are given simple problems teaching the elements and applications of electricity, and the elements of trigonometry. After passing an examination in this work, they enter a second six months' class dealing with problems of electrical measurements, switchboard design and mechanisms, and applications of alternating current.

"After passing an examination in these subjects the students enter a third class, likewise of six months, and take up the study of switchboard materials, methods of machining, specifications, stocks, business organization, the essentials of economics and the fundamentals of salesmanship. Following graduation from this third class, they are prepared to enter the work of the switchboard department. Any student who after two years has not shown particular aptitude or liking for switchboard work is, on request, shifted to the routine test in the testing department.

"It is of course evident to you that neither of these courses can give what is the equivalent to a college education with its training in advanced mathematics, languages, hydraulics, chemistry and cultural subjects. But, after having satisfactorily completed the work laid out for them, these students have obtained a practical and intensive working knowledge of electricity and electrical apparatus, comparable perhaps

to that of the man entering his last year in a technical college.

"A new course that owes its innovation to the war, when so many women perforce had to take the positions left vacant by our soldiers, is the one that trains young college women graduates for commercial and semi-technical careers in the electrical industry..

"The course opens with a three months' probation period during which the young women receive one hour each day of classroom instruction in the subjects of apparatus, theory and business. In the apparatus classes the devices used on switchboards are brought into the classroom for inspection and are thoroughly described and discussed. The students are taken on trips through the factory or through neighboring power plants where they can see how the switchboard apparatus protects the big machines and controls the generation and distribution of electricity. Inspection trips are taken to afford the students the proper perspective of the steps in the electrical scale of generation of power to harnessing of power. For instance, trips are taken to waterfalls, where possible, so that the student can see the power plant which harnessed the waterpower, and the switchboard which dispatched the electric power to the adjacent city.

"Lectures are held on the development of switchboards and the applications of air, and all circuit breakers, instruments, lever switches and all the rest of the electrical rigmarole which is Greek, in a meas-

ure, to me. Instruction is also given on how to use the slide rule; classes in elementary electricity alternate with classes studying the mechanism of apparatus. The young women are made thoroughly conversant with the subjects of electrical phenomena and the principles governing them. I admit it makes of them formidable creatures of vast erudition, but what I am trying to show you is that ample opportunity for mental and commercial advancement is not considered impractical or in the light of philanthropy by plants whose success is not to be doubted.

"Together with this work, these women students are taught department organization and routine, how manufacturing costs are obtained, how to prepare specifications, quotations, and how to draw up contracts. One hour out of each eight-hour day is spent in classrooms and the other seven hours are spent in commercial engineering work.

"In the earlier periods of the course they are taught the use of price books, cost advices, and cost issues; they correct these books and keep them up to date, and thus familiarize themselves with the terms and relative values of the items entering into switchboard products. They also price and check proposals which are later submitted to customers of the company through the salesmen in the various district offices. While doing this work, the young women act as assistants to expert estimators or proposal engineers and learn the details of estimating and the cost of build-

ing a switchboard far in advance of actual construction work.

"These young women are being trained as commercial engineers, a profession they never could have attained without the instruction given by the plant. It took the war to bring out their capabilities, it is true, but nevertheless it shows that the company was far-sighted enough to train them to advantage. You can readily appreciate what such advanced training under plant tutelage means in added service to the company and what it means in spirit of work on the part of the young women. It is in no way a philanthropic measure; it is an indication of the appreciation of the fact that efficiency means getting the highest possible service that an individual can give through the highest possible training.

VOCATIONAL COURSES

"Together with these schools that are maintained during working hours, this company conducts what is known as vocation school courses. The classes are held inside the works and are open to employees only. They convene immediately after the close of the working day. The curriculum and the courses of instruction are under the direction of both the company and the various city boards of education. The tuition and the use of books cost nothing if the students attend eighty per cent. of the sessions. Courses are of-

ferred in typewriting, elementary bookkeeping, stenography, accountancy, dictaphone dictation and other subjects of commercial vocational value.

"At some of the plants, the company has arranged for its employees to take extension courses in mathematics, economics, foreign languages and advanced English at the state universities.

EXTENSION COURSES

"During the 1917-1918 semesters, eighty-five per cent. of the total number of evening students at one of the colleges were employees of this company. The students are afforded the opportunity of sitting under instructors and professors in the college classrooms and in a college atmosphere. The subjects they study are higher mathematics, physics, chemistry, elementary electricity, electrical engineering, Spanish, French and advanced English. You may reasonably say, then, that the credit of this work should, in justice, not be given to the company but to the student who is merely taking advantage of the proximity of the schools. Apropos of that, it may interest you to know that it is the policy of the company to return half of the tuition fees to those employees whose attendance record is eighty per cent. You can readily appreciate what a help and an incentive that is to young men who are anxious to gain an education but

who might be prevented from doing so by lack of funds.

"The University of Indiana, Union College, the Massachusetts Institute of Technology, Boston University, the Massachusetts State Board of Education are some of the recognized educational institutions with which this company coöperates.

"Where the plants are not immediately accessible to colleges and universities, evening classes in advanced subjects are held in the works. Courses are given in algebra, elementary drawing, advanced electricity, advanced mathematics, tool design and one or two foreign languages. Individual cases are known where graduates of these technical courses are now holding positions that formerly required college training. A small fee is charged at the beginning of the course. This is refunded to all the men who pass their examination with a mark of seventy-five per cent.

"This company also maintains a research laboratory which holds weekly lectures during the winter months. The purpose of these lectures is to familiarize the employees with what is being done in the field of research. The plant library, which is one of the big features of the educational work, coöperates with the laboratory in having on hand all material bearing upon the subjects under discussion. This library, by the way, is one of the important institutions in industrial education work. As I shall later show you,

the movement to introduce them into factories, plants and sales establishments has now become widespread.

"The United Shoe Machinery Company is another progressive industrial establishment which has given this matter of apprenticeship education its earnest attention. The manner in which these apprentices, so called, are given the opportunity to train themselves to become expert mechanics is unique. The city high school and the plant directors coöperate in this work. There are two groups of boys, ranging from fourteen to eighteen years. These alternate between attendance at the school and attendance at the works. One week is spent by the first group at the school while the second applies its theoretical education in the shops. The second week they turn about and alternate. The company hires competent instructors in the factory who supervise the work of the boys. The city in its high school provides instruction in shop methods, English, mathematics, drawing, chemistry and other correlative subjects.

"The boys receive one-half the wages paid to men working on full time performing the same work, the other half going toward the expenses of the school. Even with half the regular wage going to the school the company reports that it is compelled to make up a deficit every year. Nevertheless it is willing to do this, from the point of view of added service and better type of service. It is training its employees in

its own methods and in its own work and the gain more than makes up for the original outlay.

"The boys are under factory discipline, work factory hours, and have positions open to them at expert wages as soon as they graduate from their courses.

"Individual attention is given to individual pupils and a boy is allowed to specialize on those machines for which he shows a special aptitude. The subjects taken up are mechanical drawing, machine designing, shop mathematics, and electricity and chemistry as applied to machinery. Special attention is given to the cultural subjects so that the boy may find himself at ease among the business associates he may later meet.

"The Massachusetts Commission of Education controls the work in this plant. All courses are under direct supervision of a board consisting of five members of the school board and one representative of the factory appointed by the mayor of the city upon nomination of the directors of the plant. The combination works for the good of the boys, inasmuch as the two factors in industrial education can check each other up in planning the training of the future mechanics.

"The Westinghouse Electric and Manufacturing Company maintains a night school where its employees may study the fundamental principles of engineering and shop work. They also have an apprenticeship plan whereby a man or boy can get four

hours' tuition every week under skilled instructors. The Solvay Process Company is another company that maintains a mechanics' school that is in a good measure similar to the one of the shoe organization I have mentioned before. The boys work and attend school on a half and half basis and are paid an amount sufficient to meet their needs while being trained. The Warner & Swasey Company of Cleveland, specializing in astronomical instruments, does work along the same line.

"This work of educating and helping the employee to advance himself along the lines in which he is most interested is not peculiar to the mechanical or shop industries. Organizations employing a large office force and department stores relying upon large sales forces have adopted an educational system to meet their individual needs.

"Swift & Company has taken a special interest in its office boys. Working in coöperation with the city Board of Education, the company maintains a continuation school where the boy may take a course that is practically the same as a two-year accounting course in the public high schools. Two teachers give their entire time to the work. The enrollment includes boys who have completed the fifth grade in the elementary schools as well as those who have had an academic high school education. Weekly lectures are given the students by men interested in the various departments of the large plant with the end in

view of making the boys familiar with the rules and laws governing the smooth running of an organization of this type. There is distinct effort made to prepare the boy to take a more responsible position in the firm just as soon as his ability warrants it. An interesting incentive to make the boys attend the classes regularly is the annual award of a week's vacation at the expense of the company.

"The department stores have perhaps taken the greatest strides in the work of educating their employees in sales and office practice. The Lord & Taylor and the Altman shops in New York City, the Wanamaker shops in Philadelphia; the Filene shops in Boston; the Marshall Field in Chicago; the May Company and the Halle Brothers shops in Cleveland, all of these are representative of the work done by a far greater number of them in the way of helping the young men or women reach a higher notch in the industrial scale.

"The Wanamaker Commercial Institute, for instance, has now become a well-established educational force in the life of the Wanamaker employees. The organization maintains twenty-five instructors to teach the three rudimentary subjects as well as the more advanced subjects of bookkeeping, stenography, business correspondence, commercial geography, commercial law and general business methods.

"Boys and girls under sixteen years are required to attend school for two hours every day, the time

being taken off from business hours. The older boys are expected to attend the Wanamaker evening schools twice a week. They eat their evening meal at the plant and attend the sessions afterwards.

"This establishment also conducts dressmaking and millinery courses for its women employees.

"The Lord & Taylor shops and the Altman shop in New York are doing admirable work along these lines. The first has the entire eleventh floor given over to the physical and mental betterment work of their employees. The second has several floors reserved for this type of work.

"A visit to the upper floors of the latter is comparable to a visit to an educational institution of the best type. The classrooms are equipped in the most modern fashion with chairs, desks, blackboards and charts. During the morning hours the junior employees of the firm are expected to attend the classes where instruction is given them in the elementary subjects which they were forced to miss on account of the economic conditions which make them wage-earners at an early age. The instructors are well-trained, well-paid men and women who are on the lists of the city board of education. All of them have passed the more or less easy teaching examinations that the city of New York gives. The methods they apply are based on an appreciation of the fact that their students are already taking a place in the industrial life of the city and that they must be appealed to from

angles differing greatly from those given to the average child in the public schools. Direct contact is made between the work on the blackboard and the work in the shops below them. The youngsters are made to understand that a knowledge of the capitals of the states, for instance, is of practical value in making parcel post shipments and that in the same manner ability at mentally computing simple sums can be applied in figuring out the cost of postal charges. The principle impressed upon the young pliant mind of the child is the one that it is up to him to make himself valuable to the firm and that the firm is willing to help him up to the highest possible point that he is capable of reaching.

"These classes, as I have said, are for the younger people. There are, in addition, graded courses for the older employees. Every phase of department store activity, from the buying of a hat to the selling of a picture, is made a subject of study. The ordinary commercial subjects of stenography, bookkeeping and typewriting naturally fall in here. The most interesting ones, however, are those dealing with salesmanship. The young man and the young woman who show a marked aptitude and a natural appreciation of human psychology in selling receive the opportunity to develop these traits under expert instruction. It is not a matter of engaging a college or university professor here. It is one of obtaining the services of the most successful salesmen and heads

of departments in the establishment, who can speak to the students from the point of view of the man who has tried out the methods which he is explaining and has found them to work. Cost, profits and losses, discounts, all the chapters of the romance of business are made vital in the light of personal relationships, personal contact and personal associations.

"The attendance is not compulsory. This naturally weeds out those who have no marked ability. Those who come are the ones for whom the classes were originally planned—the men and women who lost out when that force you call life handed out the silver spoons. The instruction is given during business hours during that part of the day when there is a natural lull in shopping.

"And it pays, Hardwick, it pays. It isn't done by these people because it is the nice thing to do or the Christian thing to do or the charitable thing to do. It is done because it is a good business investment; because it pays to work with trained, intelligent service rather than with blindly seeking, unintelligent service.

"I have always seen this problem in the nature of an old geometrical theorem. 'A straight line is the shortest distance between two points.' What's that got to do with this, you say? A great deal. You as an employer of labor are interested in the success of your plant. The different Larrys that work for you are interested in their own success. Success, then, is the aim toward which both of you work. In the

long run, in the very long run, you may reach the point toward which you are to-day aiming. In the same manner in just as long a run Larry may reach the point toward which he is to-day aiming. Remember I say, the point toward which you are *to-day* aiming. Not the point toward which you may aim a year from now. When you come down to rock bottom you and Larry are really working for the same thing. Neither you nor he may be willing to admit it, but think it over and you will grant that there is a definite relationship between the success of the two of you: Larry, please take note, representing dormant abilities and you standing for intelligent but drowsing directive force.

"Well now, what do the both of you do in this blind effort for gaining success? Larry blind, because the circumstances of birth and position have made him so, and you because you will not see, or rather, do not seek to see. You make many wasteful movements, go many unnecessary distances, try many useless make-shifts and then five years from now you reach the point that you might, under more scientific and more geometrically true methods, have reached in a year's time. The same with Larry. Except that he cannot educate himself to the extent that you can. He will take tedious, tiresome, wasteful roundabout methods and in five years from now, he too, maybe, will have reached a point that he might under happier and more favorable conditions have reached in a year's

time. It's waste, Hardwick, wrong and cruel waste of human energy and human ability. A straight line is the shortest distance between two points. Science has made use of that theorem in industry. There is no more need of searching blindly and experimenting foolishly. Certain means have been discovered and tested to be the efficient means toward reaching a given point. By efficient means I mean those that will give the best results in the shortest time. Educating the brains that are capable of education is one of those short lines of efficiency." Struthers paused. "You get what I am driving at?" he asked.

Hardwick inclined his head.

"I get what you are driving at. Go ahead."

"Another thing about this problem of industrial education. Something that has failed to dawn upon the eyes of our academic educators. The newer movement in education insists on the application of psychology in teaching. One of their tenets is 'Study the natural bent of the child's mind and develop it.' Another is, 'Go from the concrete to the abstract and explain the abstract by definite association with the concrete.' Very good and very true. Both of them are valuable in their requirements. What do we, however, get in our education system that is offered as example of the value of these laws? A Montessori system which is good as far as it goes. But how far does it go? To the child in the kindergarten age. A few other systems where the girl is given an hour's

training in a cooking-room and the boy an hour's work in a school shoproom. But is this education in the true sense of the word? Are those very valuable tenets which the psychologists have unearthed applied in those subjects that will mean the livelihood of the boy or the girl? By no means. The girl who expects to go into a business office sees no relation between the sums on the school blackboard and the work she expects to follow. The boy who is interested in electrical apparatus is bored stiff with formulæ that to him have no relation to electrical voltage. The theory of education is there; it is the correct theory, but what exactly is done with it in the field that saw its origin? Nothing. The schools to-day are going on teaching subjects in pretty much the same way that they were taught ten and twenty and thirty years ago. Learned and erudite educators talk of the need of applying scientific methods to education and that's where the matter ends, to a great extent. Except for a few abortive psychological tests that tend to prove that the mind of a switchboard operator is of a higher type than that of a farmer. That is no joke. Shortly after we entered the war the army published a table of brain values based entirely on mental reactions to certain stimuli. In that table the farmer made a very poor showing for the simple reason that efficiency in his work is not based on rapid automatic movements as it is in the case of the telephone operator.

"Nevertheless, that table was taken as an indication of the caliber of the gray matter of the people tested. So valuable was it thought that some of our colleges have substituted it for their former entrance examinations. I have no quarrel with them. They have gotten hold of a new subject and are playing with it. Some day, maybe, they will properly apply it to their educational methods or admit that it can be applied only in arrangements such as are possible when working in coöperation with industrial, business or scientific organizations.

"I have gone a long way round, but this is what I am getting at. While these learned people have gone about discovering laws and psychological truths, our industrial world has been applying them. 'Study the natural bent of the child's mind and develop it,' they said. That in the main is what our industrial educational programs are doing. The boy who shows a marked tendency toward mechanics is allowed to develop that tendency. In those establishments, that is, where there is an appreciation of the value of it. 'Go from the concrete to the abstract and explain the abstract by definite association with the concrete.' No better example of that can be given than in the apprenticeship courses and the extension and commercial courses about which I have spoken. I tell you, Hardwick, that it is in industry that we are making the biggest strides. The pity of it is that there aren't more that are keeping up with those in the front

ranks. The pity of it is that more of you don't know what the best of you are doing. The pity of it is that all of you are not aware of what a fine, healthy, powerful and constructive thing American industry is in its best phases. That will come in time, I suppose, but, Hardwick, hear me. If people like you would show what has been done and what can be done, then the people, not like Hurley, for Hurley is a fine type of man, but people like the ones who have been filling Hurley with vile and vicious stuff could not make capital of isolated cases of what has been woefully neglected and has not been done.

PLANT LIBRARIES

"However, I want to go on and tell you what else has been done along this work of stimulating the employee to grow to the extent that he cares to or wants to grow. I believe I have said something to you about the installation of libraries in industrial establishments. A recent report of the Bureau of Labor statistics declared that ninety-nine establishments reported work done along this line. I think this is a very conservative estimate of the number of plant libraries really in existence. Nevertheless, it is an indication that the movement has gained an impetus. These libraries are of various sorts. First of all, there is the library whose books are bought entirely by the management. Second, there is the one whose books

consist partly of those donated by the firm and those lent from some adjacent public library, and third, there is the one all of whose books are borrowed from the public library. This last one is in effect a branch of the public libraries. They serve to offer, within easy reach of the employee, something that is worth while in literature. If you are interested in psychology, it is again the sensible application of the law of selection. Substitute a valuable thing for a wasteful or vicious thing to train the faculty of selection.

“Not a few of the books found in most of the plant libraries are related to the work done in the plant. Where there are apprenticeship courses they are of great value in elaboration of the subject matter taught in the laboratories or shops. They are of value in any case. They serve to build up a pleasant association with the shops. They are something apart from the routine of the work and serve to show that the plant means something more than so many hours of service at so much per hour.

“Most of the insurance companies have installed libraries of this sort. They have special hours when the employee may come and have his book changed. The same nominal fee is charged for lapses in return as is charged in the public libraries. A good many of the department stores are coöperating with the public libraries in this work. Rest periods have come to mean something definite in the case of the Altman employees, for instance. They spend the time reading.

The steel companies also have incorporated the plant library in their establishments. The Shredded Wheat people, who give daily rest periods of from thirty minutes to one hour, have installed a public library for their employees.

"Some time ago, the Cleveland Chamber of Commerce, composed of business men interested in industrial betterment work, formulated a highly progressive program in which the shop library took a prominent place. This program has been religiously followed by some of the more progressive business men in that city. Included among those are the Warner & Swasey Company, makers of tools and astronomical instruments; the Sherwin-Williams Company, makers of paints and varnishes; the Mechanical Rubber Company, makers of rubber goods, and the Kaynee Company, makers of children's garments. There are others too, but I am giving you these few to show the variety of industries that have arrived at an appreciation of the value of this form of welfare work.

"There is no reason why this library work and the elementary school extension courses should not be part of the educational work of every organization. Even if nothing else is done this much can be done. The public education institutions are glad to coöperate with the plants. This has been demonstrated by the vast number of establishments that are to-day reporting the fine results of the work carried on in

equipped with a gymnasium, swimming pool, and auditorium with a stage, lecture rooms and classrooms, a men's club section comprising a reading and reception room; a women's club section containing reading and reception rooms plus a kitchen; and a juniors' club section for the boys and girls of the community.

"Smaller establishments have adopted this type of plant improvement work on a smaller scale. Note I say plant improvement work, and not employee's improvement work or social work. It all reverts to my old theory of efficiency. These people are made to feel that their employers are interested in them to a greater extent than just the amount of work that can be gotten out of them. They can see proof of it in a way that makes a strong appeal to them. The opportunity to play is given them.

"Again, Hardwick, I say that this is where industry is far ahead of our theoretical educators in the practice of the best methods of relating human endeavor to education. Again, those learned professors of ours talk, and rightly so, about the relation of physical recreative activity to physical or mental work. Where do we see it most thoroughly carried out? In the best phases of industry. Our schools inaugurate athletic programs of this sort, it is true, but it entirely is a school affair, like an alma mater song or a class yell. Once the men get out, there is no attempt, no conscious attempt, that is, to continue

this work of educating the body so that the mental and physical fibers may live. The result? These fibers don't live. They die out and men grow weak and old and tired. They call on their resources without stint and make no effort to replenish them.

"There is sound common sense, besides a spirit of good will, that lies behind the introduction of recreational work in industry. It is the same sort of common sense that makes a good engineer overhaul his machinery every once so often without waiting for the parts to break down. He appreciates that the more attention he gives to the maintenance of his engines the less money he will have to spend in repairs.

"Another thing about the results and effects of this work. I have spoken to you about the apprenticeship courses and the extension courses. Just as soon as a man definitely links himself up with one of these he immediately becomes an integral part of the spirit of the impulse that moved the organization to plan the work. He belongs. He feels that something valuable has been placed within reach of him by virtue of the fact that he is a member of the organization and all that he must do is to stretch out his hand and take it.

"This, however, applies only to the type of employee who is able to take advantage of such opportunities, the man who is mentally or mechanically above the job that he holds. It does not, however, hold true of the type of employee who has reached the

peak of his ability, the man who is a good mechanic, for instance, and who is satisfied with being a good mechanic, the man who under the most favorable circumstances would be and could be nothing else but a good mechanic. He is a valuable adjunct to the works; in his way, just as valuable as the man who is studying to become a pattern maker or an electrical expert.

"Something has been done to stimulate the interest of the first type of employee by making an appeal to his mental faculties. He is interested in the success of the plant. Something of the same nature must be offered to the second type of employee. The recreational program serves that purpose. Just as the first type will take advantage of the opportunity to educate his hand and his mind, even so will the second take advantage of the faculties offered him to recreate his body. He may not appreciate that he is doing that. He does, however, feel that something has been done to make his leisure hours more happy and he acquires the same sort of kinship with the plant that the first group does. It begins to take on the outlines of a factor in a rounded life and ceases to be an overshadowing and unpleasant specter that means nothing but work. He, too, begins to feel that he belongs. And that, Hardwick, is not a bad feeling to have among your men." Struthers paused, then continued quietly:

"Neither is it a bad feeling for you to acquire."

Hardwick lifted his brows in question.

"What do you mean by that?" he asked.

"Just what I said," Struthers replied. "You understand what I meant when I said that the man begins to feel that he belongs just as soon as he begins to use the opportunities offered him to improve himself. Or maybe you didn't understand. I did not use the word to indicate a possessive sense of any sort. I did not mean that he belonged *to* anybody or anything. I meant just what I said. He belongs. The way a man belongs to a club or an order or a circle. He is part of it; he is a member of it. He is interested in its growth and well-being. Do you catch my drift?"

Hardwick laughed.

"Of course I catch your drift so far as the men are concerned," he said, "but I don't quite get it as far as I am. Haven't I always belonged? Haven't I always been interested in the growth and the well-being of the plant? I am afraid you've steered a bit off the tracks there, Struthers."

"No, I haven't," was the serious reply. "When you say that you've always been interested in the growth and the well-being of the plant you are right. But when you say you have belonged you are wrong. You have not belonged for the simple reason that there was nothing to belong to. As a matter of fact the plant belonged to you and that was where the matter ended. You were interested in your belonging, in your possession, with the accent on the 'your.' Apart

from that, the plant and the men in it have meant rather little. Come, confess. I am not entirely wrong."

"No, nor entirely right. Don't forget, Struthers, that even just as I may not understand the workings of the mind of my employees, they—and you—do not understand the trappings of mine. On the surface things may look pretty dark and black, but neither they nor you know of the things that lie underneath the surface. Understand, Struthers, that just as necessary as it is for me to appreciate their needs, it is necessary for them to understand that my path is not all easy sailing and that there are rocks and reefs of which they have no conception. And want to have no conceptions of. And are incapable of conceiving. If, as you say, I did not belong because there was nothing to belong to, the fault may have been one of conditions rather than the lack of desire. Surely you understand that every man at the head of any sort of a creative plant wants to make of it the best thing."

Struthers nodded his head in affirmation.

"Of course," he agreed. "But it is a matter of definition of term there. To one man the best thing may be one thing, to another it means something else. You understand that, of course. What I am endeavoring to show you is that the best thing is the thing that brings the happiest result when viewed from every angle. In your endeavor to make your plant a suc-

cessful one, you tackled the work from one angle only, your angle, and let all the others go by the board. I take it the results were not as happy as you could desire them to be. I understand, too, that as the head of a plant you have problems of whose nature your men have no conception and, as you say, can have no conception. But that is your prerogative as the controlling factor of the works. That is your job. The way in which you manage it proves whether or not you are the right man for it. You have discovered that the fact the plant was handed down to you by your father does not carry with it the ability to efficiently run it. Not according to modern standards, or, I should say, not according to best standards. If you are too square to fit into the hole that has been made for you and you want to succeed at the job, then you have got to do the same sort of things that I have suggested that you let some of your employees do—educate yourself. In the best methods of industrial management; learn the things that progressive men have inaugurated in their plants and apply them to the best advantage in your own. There will be something to belong to when you've done that and not any sooner."

Hardwick's face grew stern. He made no answer to Struthers. An awkward silence hung over the room for a few minutes. Struthers finally rose.

"I am going, Hardwick. I am tired and there are things I want to do before I turn in." He paused, then added: "I am sorry if I hurt you in making per-

sonal reference to your own case. It wasn't especially kind. But, man, the world is not especially kind to the man who lags behind in any race. And heaven knows, I want to see you in the lead. You can be there if you want to. Good night."

Hardwick inclined his head in response as Struthers left the room. He sat there in his chair for a long time. Some of the words of Struthers kept ringing in his ears. "If you are too square to fit into the hole that has been made for you and you want to succeed at the job, then you have got to educate yourself. . . . In the best methods of industrial management . . . Learn the things that progressive men have inaugurated in their plants. . . . Apply them to the best advantage in your own."

Hardwick began questioning himself. Was he a misfit in the job that he held in the hole that had been made for him, as Struthers had expressed it? Made for him. That was true. He had been right when he had said that none of us got justice; that some of us got more than we deserve and others less, but that the balance is never equal. But the gift of what Struthers was pleased to call a greater share of justice was no indication that it meant a greater share of happiness. Happiness, after all, depended in the measure of a person's success. And he was not happy. The plant had not made him happy. The men weren't happy. Nothing connected with his work was happy.

Hardwick furrowed his brow in pain. Was that an admission of his weakness; of his inability to hold down the job that had been given him? Was he too small for it? Were his corners indeed too sharp and too square to fit the needs of present day industrialism? Was he a failure?

A failure! The word startled him. He hated it and feared it. He had never had any sympathy for failures. To him they were indicative of foolhardiness and ignorance of appreciating personal powers and their limits; men who attempted more than they could do in the stupid conceit and belief in abilities that did not exist. Failures. Was he going to be one of them? He buried his head in his hands. The world was not kind to men of that sort. Neither had he been. Struthers had said something about that. What was it? The world was not especially kind to the man that lags behind in any race. That was true. Hardwick winced under the truth of it. Slowly he raised his head. There was something else Struthers had said. Funny how the words of Struthers mattered. What was that he said? "I want to see you in the lead. You can get there if you want to." Hardwick raised his head. Had Struthers said that or was he only imagining it? He searched his mind and dramatized the departure of Struthers. Yes, he was sure the man had said it. Well, he would show him. What was that he had told him to do? Oh, yes. Learn the things that progressive men had in-

augurated in their plants and apply them to the best advantage in his own. Hardwick closed his eyes in relief. He smiled at the thought that followed. He and Larry setting out on the same road. He and Larry. To build up something to which they both could belong. He was a sentimental child, was Struthers, but—Hardwick let out a soft oath. "Damn it," he whispered, "we are all sentimental—we are all sentimental. Only Struthers' word is the better one. Human, he calls it."

CHAPTER SEVEN

PENSIONS, DISABILITY FUNDS AND DEATH BENEFITS

Two days after the evening that Struthers had spent with him talking about the educational work in industry, Hardwick came into Hurley's shops. The latter, unlike his usual habit, walked over to greet the older man. Hardwick smiled inwardly at the change, but made no reference to it. He engaged his foreman in talk about the improvement work in the shops, then asked for Struthers, whose place stood vacant. Hurley told him that Struthers had asked to be allowed to work in the foundry for a while, and that he, Hurley, had seen no reason for refusing him. Hardwick nodded briefly in approval. After spending a few more minutes in desultory inspection, he left the building and walked over into the foundries. Richards, the foundry boss, came forward anxiously to meet him. Hardwick waited for him to speak. The man fidgeted around nervously for a few seconds. Finally he broke out with the words:

"Nothing wrong, I hope, sir?"

Hardwick raised his brows.

"Nothing that I know of, Richards," he replied.

"Is there anything wrong that you have discovered?"

I am anxious to hear all about these industrial reforms. I am greatly interested in them. Compare me to Larry, if you will, trying to get ahead. I don't care what you do. But there is one thing that I want you to bear in mind. In spite of the fact that I am interested in them and desirous of knowing all about them, I may not be able to incorporate all of them into the plant at once. I mean, Struthers, that it will necessarily have to be a matter of time before some of the things can be started. Like—like the extension courses, for instance." The man paused for a number of seconds, cleared his throat, then went on. "I wonder if you get what I am driving at. You see, Struthers, I don't want you to think that I am deaf and blind to the value of these things. But I can't go ahead all at once. It's a matter of time; I'll get there; get my corners rounded, I mean, but it will take a little time. I want you to understand that."

The ice was broken and the two men settled down to the work of the evening.

"Hardwick," Struthers began, "have you ever given a thought to the subject of old age? As it affects your employees, I mean. As to what happens to them after they cease to be of any productive value." He leaned closer. "What does happen to them, do you know?"

Hardwick shifted uneasily in his chair.

"There you go at it again, Struthers. I am willing to listen to reason and to respond to sense, but when you ask a fool question as to whether I know what

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happens to my employees when they cease to be productive you begin by rubbing me the wrong way. What do you mean what happens to them after they cease to be productive? They stop working and go to live with their Henrys, Ivans or Joes. That's what they look forward to, getting old enough so that they won't have to work and let their children support them. Isn't that the way the old age problem has always been answered?"

"It is. Exactly," was the answer. "But did you ever stop to think what an ignominious end that is to a good many people who were skillful and faithful workers in their days? It somehow seems to be another way in which this illusory thing, Justice, we discussed the other night, seems to have gone astray."

"Very true, Struthers, but what can we do about it? The more thrifty of the workers look forward to the time when they will be incapacitated and save a part of their weekly earnings toward that end. The others—well, they are taken care of somehow. It's the old ant and grasshopper fable again. You see that, don't you?"

"I'm afraid I don't," Struthers replied. "For the reason that very few of these old folks in the factories and mills can be accused of having been grasshoppers in their youth. They didn't have the money to hop even if they had wanted to. Wages were never as high as they are to-day, and it is the unusual man who can manage to put aside a bit of his money for a

rainy day. The cost of living eats it all up. The same was true of the past to an even greater extent. Wages were low and families were large. This talk of thrift and saving is all tommyrot under those conditions. It smacks of the same kind of sanctimonious judgments that are made by smug, well-fed social workers who come to tell the poor hapless mothers of the numbers of calories of milk their children ought to drink. As if they didn't know it. As if they wouldn't rather feed their babies on wholesome food than on the dry bread and tea that they get.

"Those people, Hardwick, appreciate the value of thrift and of putting a sum aside for a rainy day. Nothing makes them happier than to be able to boast of a bank account. But under the old order of industry, it was the unusual man and the highly successful man who could make plans for a comfortable old age. And even if he had saved up what may appear like a tidy sum, just exactly how long will it keep him? Say that a man of sixty, working in your shops to-day had, during the course of his work, managed to save up one or two thousand dollars. How long will that keep him going under present living conditions? What earnest has he that he will not eventually land in the poorhouse? It somehow doesn't seem fair, after a man has given to an establishment the best fifteen or twenty or twenty-five years of life that he be thrown into the discard like an old shoe. From the point of abstract justice and not from the one

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of its probable application to you, it does not seem fair, does it?"

"Struthers, you make me tired with your abstract justice!" Hardwick replied. "There is no such thing as abstract justice. We have agreed on that. No, it isn't fair. What are you going to do about it? The world is not built on lines of fairness. Besides, these men give the best fifteen or twenty or twenty-five years of service to five, ten or fifteen different men. If you know anything about labor conditions, you will appreciate that the question of turnover is the biggest snag against which the producers have to fight. Change, change, change all the time. A man doesn't like the tilt of his neighbor's nose; he leaves. Another doesn't like the way his machines are oiled; he leaves. Still another objects to the voice of his foreman; he leaves. What's the result in production? Men are constantly being changed, and production is constantly being held up. There is no such thing as dependence upon a steady stream of output.

"Every employer takes that into consideration in figuring his costs. The item of labor turnover is one of the most important in his calculation.

"Now let us take your valuable servants of industry, with their temperamental goings and comings," he continued. "What would you have the five, ten or fifteen employers who have during the course of fifteen, twenty or twenty-five years given them employment do for them? Give them a parting gift when

the men go to work for his competitors? Tell them that some day they are going to be old men and that they will need that parting gift to live upon? Come, Struthers, be sensible."

"Good work, Hardwick," Struthers responded. "You yourself have given me all the arguments to convince you of the desirability of providing for the men who have given you service for any length of time. Now we'll go ahead working on your assumptions. You say that labor turnover is one of the greatest snags against which the producers have to fight. Did you ever stop to think that you might control this labor turnover by offering your employees something definite in the way of an incentive to keep working for you instead of seeking the doubtful benefits of new jobs? Increase in wages won't do it, for your competitor will increase his wages. That means a corresponding increase in the selling price of the article produced. As a result the cost of living goes up and the increases are eaten up. Even if this didn't happen, families have a happy faculty of taking care of increases." Struthers paused to let the point sink in. Then he continued. "What is it then that you can do? This. Offer your employee the assurance that after he has been employed by you for a definite length of time, he will be taken care of in his old age. Let that assurance be one of the rules of the plant, one of the things by which the plant is known and not a nebulous affair whose carrying out depends upon

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the whim or the will of the employer. Let him know that when he reaches the age of retirement he can depend on an annual income which is definitely controlled by the years and the type of service he gave you.

“Do you for a moment imagine that a man with a family, and most of your men are heads of families, would under those considerations leave your employ for such petty excuses as the shape of a man’s nose or the sound of his foreman’s voice? And do you wonder that without the considerations that make him feel that his service means something real and valuable to you, for which you are willing to pay him even in those days when he ceases to be a medium of production to you, he is willing and ready to follow the call of a job that for the moment holds out new charms for him? Under those conditions, he has little to lose and something in the way of new associations, new environment, and possibly, new opportunities to gain.

“Your men are human beings, prompted by self-interest, in the same manner as you are. How long would you be attached to the work you are doing if you didn’t feel that it was yours? These men can never attain that same degree of interest in the plant that you have. It isn’t theirs. It never will be. But they can be made to feel that anything that they give you in the way of service that will tend to increase production will net them some definite reward. And peace of mind as far as their old age is concerned is

readily appreciated by them. It is the rare man who looks forward with any degree of pleasure to a future spent as a dependent upon his children or grandchildren. Assure your employees of the impossibility of such a future, and the question of labor turnover is to a great degree solved.

"There is no question of giving a man a reward after he has been with you for three or five years." Struthers went on. "He neither expects one nor deserves one. It's a simple matter of give and take in that situation. He gives you a short period of service for which you give him his due deserts. The arrangement is a temporary one. But where there is a standing agreement to give adequate return in the way of old-age pensions for a specified term of service, the arrangement will of itself become permanent and of mutual benefit to both factors concerned.

PENSIONS

"You see, Hardwick, this is another one of those milestones that have been passed by the farsighted. Happily, there is a goodly number of those who have doffed their hats in greeting to this road post. The National Civic Federation three years ago issued its findings in tabulated form of the number of industrial establishments that had introduced pension systems. According to them, there were fifty-five organizations that at that time were making it possible

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for their superannuated employees to retire at a comfortable income. There are a good many more to-day. Most of them are not known. The fact of the matter is that a good many employers do not like to speak of their industrial experiments. For some reason or other they feel that it detracts from the value of the work they are doing; that their employees will imagine that they are sounding their own horns. I bucked up against a man of this type in trying to get in touch with the work done by a large tractor and plow manufacturing organization. He told me that his company was doing a great deal toward making the life of their men happier, but that he didn't like to speak about it. It was part of the business policy of the firm, he said, and was no more to be held up for praise than their buying and selling methods. There may be something in this, but at the present time when the ranks of those who are employing these methods are not yet overcrowded, it seems to me that a bit of prodding by way of showing the more backward what the successful and progressive business men are doing, is necessary.

"All of the pension plans are based on a definite minimum period of service. This varies from fifteen years to twenty-five. Most of the firms also set a definite age limit for retirement. This also varies with the different companies. In cases of emergency, however, the retirement age is disregarded. I'll show you how that works later on when I take up the indi-

vidual systems. The average retirement age for women runs between fifty-five and sixty years; for men between sixty and seventy. Bear in mind, however, that this does not mean that the man and woman coming into a firm in early middle life and working for the required period of twenty or twenty-five years is entitled to the same pension allotment as the man or woman who has begun her industrial relationship with the firm in early youth. There is a definite proportion between the number of years of actual service and the amount of annual income after retirement.

"In the majority of instances the formula upon which the pension is figured is taken in this manner: The average annual wage or salary for the last ten years of service is first multiplied by the fixed rate that the company agrees upon, this ranging from one to three per cent. This product is then again multiplied by the total number of years of service. Let me make this clearer by giving you a concrete example. Take the hypothetical case of an organization whose pension rate is two per cent. Let us say that Hiram Jones has worked for them for a period of thirty-three years, has made on an average of two thousand dollars within the last ten years and is old enough to be retired. What annual income is he entitled to? First of all, two per cent. of two thousand dollars is taken, giving us forty dollars. This in turn is multiplied by thirty-three. The product there is, let me see." Struthers scribbled the figures on a scrap

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of paper. "Thirteen hundred and twenty dollars," he said. "That is Hiram Jones's annual income for the rest of his life. One hundred and ten dollars a month. Not so bad for an old man and surely something to look forward to with a quiet state of mind.

"The American Telephone and Telegraph Company has divided its pension system into four classes. Employees of the first class are those whose service has extended over a period of twenty years or more and who have reached the age of sixty, for men, and fifty for women. These may be retired either at their own request or at the discretion of the pension committee. Employees of the second class are men between fifty-five to fifty-nine years and women between the ages of fifty to fifty-four, whose period of employment has been twenty-five years or more. Employees of the third class are men of less than fifty-five and women of less than fifty who have been with the firm for thirty years and more. The second and third class can be retired only at the discretion of the company. The fourth class consists of employees whose term of service has been fifteen years or more and who have become totally disabled by reason of sickness. To these are granted disability pensions at the discretion of the pension committee and the approval of one of the executive officers of the company. In such instances the pension continues only for such period as the committee agrees upon.

"The rate upon which the pension is figured in this

company is one per cent. of the average annual pay for ten years, multiplied, as I have explained, by the number of years of employment. The minimum pension is twenty dollars a month.

“The International Harvester Company has a class division somewhat similar to the one of the telephone companies. Its first class consists of male employees who have reached the age of sixty-five who have been in the service for twenty years. Its second class consists of men of sixty who have been in the service for twenty-five years. Its third class is made up of men of fifty-five who have been in the employ of the company for thirty years. Its fourth class consists of women of fifty who have been twenty years in service. In all these instances, the employee may be retired either at his or her own request or upon the initiative of the Pension Board. There are two unique and interesting features connected with the pension system of this company. Its rate is one and one-half per cent. This, however, is not taken on the average of the last ten years of employment, but on the average of the ten most productive years of employment; the period, that is, when the man or woman received the largest wage or salary. It can be readily understood that in piece work, these ten years do not come within the last working decade of a man of sixty. That is the first interesting point. The second one is a ruling in the pension manual which holds that the pension may be continued for a limited period to the

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widow and children of the pensioner in case of his death. This, however, is not a standard ruling, but is enforced only at the discretion of the Pension Board.

"This company also makes provision for special cases, subject to the approval of the pension committee. These cases consist of employees who have been totally disabled and who have not reached the required age or the minimum period of service.

"Let us see how this system works out in a definite case. Take a man who has been working for them for a period of twenty-two years. According to the requirements he must be sixty-five years old at the time of retirement, since he falls into the first group. You see that, don't you? That means he started working for them when he was forty-three years old. That has given him plenty of time for rolling about from one job to another. Let us say that his first ten years of employment with this plant were his most productive and that he made an average of eighteen hundred dollars a year. One and one-half per cent. of that is, let me see, twenty-seven dollars. That multiplied by twenty-two is——" Again Struthers stopped to compute the answer. "Five hundred and ninety-four dollars. That makes it almost fifty dollars a month to live on after he is retired. It isn't much, but it is more than a man starting a new working arrangement at forty-three could accomplish for himself, by himself.

"Now," Struthers continued, "let us see how this system works out with a man who starts in with the plant at the age of twenty-five, let us say, and is retired at fifty-five. It is a safe guess to make that a person of that sort has made his stay with the plant worth while both to himself and the company. It is also a safe guess to make that the last years of his connection were the most profitable. Let us take an average case where the annual wage was twenty-five hundred dollars in round figures. One and a half per cent. of that multiplied by thirty-five is eleven-hundred and twenty-five dollars, or almost a hundred a month. Again, I say, not a poor sort of income for a skilled mechanic who has not been able to put by any of his earnings. In this instance the man is only fifty-five years old. According to modern standards, he is still a man in his prime. According to the rulings of the Pension Board, his acceptance of the pension upon his retirement in no way prevents him from engaging in business which is not prejudicial to the interests of the company. He might very well invest his money in some lucrative form of work.

"The minimum amount of income given as a pension by this company is thirty dollars a month.

"The pension rates of the General Electric Company are the same as those of the International Harvester Company, with the exception that the retirement age is fixed at seventy years for men and sixty years for women.

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"The rate of the United States Steel Corporation is one per cent. of the annual average of the last ten years of service. The age of retirement is the same as that of the General Electric Company, that is seventy years for men and sixty years for women. Upon special request of the employee or the employing officer, this age limit may be modified to sixty-five years for the men and fifty-five years for the women, provided the required term of service, which in all instances is twenty-five years, is completed.

"The instances I have given you will serve to illustrate the pension plans based on percentage formula. There are many modifications of these plans.

"Swift & Company, for instance, retires its employees on half-pay after twenty-five years of service. The age requirement is from sixty to sixty-five years for men, and fifty to fifty-five years for women. They make a corresponding provision for retirement because of disability at any age after fifteen years of service. I'll speak of that later, however.

"The American Brass Company computes its pension by taking two per cent. of the average annual salary of the last three years of employment and multiplying the result by the number of years of service. Their retirement age is sixty-five years and the required period of employment is twenty-five years. Two of their limitations hold that in no case is the pension to exceed sixty per cent. of the former annual income nor is it to rise above five thousand dollars.

The plan of the National City Bank of New York City is identical.

"The Crane Company of Chicago has adopted a pension system in a great measure similar to this one, with the exception that the rate is based on the average of the last five years of employment. Also, a definite minimum and maximum are fixed. The former is thirty dollars a month, while the latter is one hundred and twenty-five dollars a month.

"The E. I. du Pont de Nemours Powder Company at Wilmington has a pension plan which is figured on the highest average monthly pay during the last ten years of service. One and one-half per cent. is taken of that and the product is in turn multiplied by the years of service. Let us say, for instance, that during a rush month, a mechanic has made some two hundred and fifty dollars. This, then, is the basis upon which his pension is computed. One and a half per cent. of that is three dollars and seventy-five cents. Let us say that he has been in the employ of the company for twenty-five years. His monthly pension is therefore over ninety dollars. Another interesting feature of this organization is, that a man may be retired at any age after he has given fifteen years of service.

"B. F. Goodrich & Co. of Akron, Ohio, has still another modification. They figure their pensions on ten per cent. of the average monthly pay during the last ten years of service multiplied by the number of

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years of service. They have a maximum of one hundred dollars monthly pension and a minimum of twenty dollars.

"There are two or three more interesting variations. I am giving you all of these so that you may know with what detail this question has been studied. That is an indication of its importance.

"The New York Railways Company has a plan wherein there is a definite proportion between the number of years of service and the amount of the annuity. A man who has been employed for thirty-five years gets an annuity equivalent to forty per cent. of his average pay during the last ten years of service; a man who has been employed between thirty and thirty-five years gets thirty per cent. of the average; a man who has been employed between twenty-five and thirty years gets a pension of twenty per cent. of this same average. No employee is kept in service after he has reached the age of seventy years.

"Somewhat similar to that is the plan formulated by the Rhode Island Company of Providence. They also have a sliding scale of emolument based on the years of service. From twenty to twenty-four years of service, the rate of annuity is one per cent. of the annual average of the last ten years of service multiplied by the number of years in the employ of the company; from twenty-five to twenty-nine years of service it is one and one-half per cent.; from thirty to thirty-five years it is one and three-quarters per cent.; from

thirty-five years up it is up to two per cent. In this case, not only does the older employee gain the advantage of the added number of years, which makes a difference in the amount of the annuity, but besides, gets an increased rate. The difference is an appreciable one. For instance, take the case of a man employed for twenty years with an average annual income of fifteen hundred dollars. His annuity will amount to three hundred dollars. At the same percentage rate, it would amount to five hundred and twenty-five dollars if he worked for thirty-five years. But, under the increase in rate that automatically follows as he increases his term of service, what he actually gets is an annual pension of one thousand and fifty dollars. An added inducement to permanency of service.

"The facts that I have given you cover to a large extent all the modifications of pension plans. There is, however, just one more important difference that I want to mention. All of the establishments that I have named, and they are representative of the vast majority of plants that have adopted the plan of giving their superannuated employees annuities, do so out of the funds of the organization. It is considered a part of their overhead expenses. There are a few organizations, however, whose policy it is to have the employee subscribe in part to the plant pension fund. Armour & Company is one of these; The First Nation-

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al Bank of Chicago is another; so is F. C. Huyck & Sons of Albany. There are a few more.

"In the case of Armour & Company, the employee pays three per cent. of his monthly salary into the company pension fund. The pension is figured by taking two per cent. of the last year's salary and multiplying it by the number of years of service. The required number of years of service in this case is twenty. The dues paid by the employees do not, however, in any way meet the requirements of the pension roll. The deficit is met by the company, which has pledged itself to the support of the fund up to the amount of one million dollars per year.

"The First National Bank of Chicago has the same sort of arrangement. Here too, the employees contribute three per cent. of their salary. Upon retirement they receive annuities amounting to fifty per cent. of their salary at the date of retirement. There is no limit that the bank sets toward meeting the deficit that naturally arises.

"The employees of F. C. Huyck & Sons pay one per cent. of their salary into the fund and the company meets the deficit that arises. Their plan calls for an annuity of twenty-five per cent. of the last year's salary when retirement is made after twenty years of service. For more than twenty years, the rate is increased by one per cent. for every additional year. The limit set is fifty per cent. of the salary received during the last year of service.

"I do not know how these last three plans strike you. Personally I am not so very favorably inclined toward them. Just as soon as you make the employee take part in a system like that it loses its value, to a great extent. It is a different matter in the case of mutual benefit funds which I shall explain later, but in order to have the pension fund accomplish the result it was intended—that of taking care of employees who have shown their loyalty to the firm by continued service—it should be a spontaneous offering. It is something the employee is entitled to, apart from the wages he earns. You might truthfully say that the money he turns in does not and cannot meet the sums he may eventually take out in the form of annuities and that in every case the establishment meets the deficit that naturally arises. I agree with you there, but just as soon as the man or woman feels that he must make a contribution out of his weekly wage for the movement, it becomes abortive. Any sort of cut in the pay envelope is resented, whatever its purpose. That, by the way, is the fight the trade unions have to wage. The men, much as they may be interested in uniting for whatever causes they choose to support, still are not sufficiently keen about these causes to part willingly with a percentage of their wages to pay for their dues. The unions have tried to meet this situation by forcing agreements on the firms which provide for the extraction of the union dues before the pay envelopes

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reach the wage-earners. That is known as the check-up system. Let me assure you that it is a mighty unpopular one. It is the natural tendency of human beings to object to parting with the results of their toil for benefits which may come to them in the distant future. Those benefits are things nebulous and uncertain, and fade into insignificance when compared with the needs of the present moment which a man, rightfully or wrongly, imagines he can meet by the money taken out of his pay envelope.

"However, that is not the point just now. What I have tried to do by giving you definite examples and definite plans is to show you that this is an important problem in our industrial life."

Struthers looked at Hardwick for confirmation of his statement. He got it. Hardwick bent forward in his seat, his face keenly alert with interest.

"I see your point, Struthers. You have made that clear enough, but what I am wondering is, how can these people afford to continually pay these vast sums of money to dead letter issues. It is true that the labor of these people may be worth more while they are in the productive stage. But that, it seems to me, is counteracted to a large degree by the large overhead expense incurred by paying them these annuities in their unproductive stage. I don't see where in these firms are the gainers. In fact, it seems to me the other way round."

Struthers laughed.

"Hardwick, if I were to read off these names to you in rapid fire, would you for a moment say that any one of them was in danger of going into bankruptcy? And do you for a moment imagine that they would inaugurate extensive annuity plans of the nature I have described if it weren't a good business venture? Keeping your plants working at full pitch pays in any circumstances; keeping them working at full pitch under a spirit that is spontaneously interested in their success pays even better. There is your answer. The proportion of men that fall off into the ranks of the superannuated is small as compared with the great number that stay busy keeping the wheels go round. And just as long as the wheels go round you can afford to pay for those who helped lubricate them in their youth."

Hardwick chewed at his upper lip in contemplation.

"Maybe, maybe. I suppose it's so. These people wouldn't be doing it, if it weren't," he half mumbled. Then turning to Struthers he said: "There was something else about which you were going to speak, wasn't there? Go ahead, I'm listening."

Struthers did as he was told.

DISABILITY FUNDS

"It's about disability funds. The name is self-explanatory. It is a fund either entirely or in part supported by the plant owners or directors. Its pur-

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pose is to take care of those employees who have been disabled either through accident or sickness.

"Take the case of Larry, for instance. He was laid up in bed for three weeks, I believe. During that time he would have been without resources of any kind if it had not been for your personal inclination to help him. I happen to know that you did help him. I also happen to know, however, that there are a good many cases that you do not think deserving of help. But whether they are deserving or not, the fact remains that during the period of disability the family of the man is pretty well on the rocks. High and dry.

"Working along the same trend of thought that it pays to have the mind of your employee at peace, a good many business men have inaugurated systems whereby the employee is assured of certain stipulated payments during the time that he is unfit for work. In those instances where the employee takes part in the support of the disability funds, it is usually called a mutual benefit association. The employees pay a nominal fee which is deducted from their pay envelope and the employer adds to the fund to the degree that he is interested. Very often, in order to encourage his workers to take an active interest in this movement, the latter makes a stipulation whereby he increases his donation to the organization according to the percentage of membership. You'll understand more clearly what I mean when I get to some concrete example.

in some instances contribute, those are valuable in that they are concerned with the immediate present and the immediate future. Sickness is something with which the worker is familiar. He knows the degree of suffering it brings and is willing to contribute toward its alleviation.

"The contribution in these Mutual Benefit Associations consists of a small percentage of the weekly wages or a stated nominal sum which is sometimes as small as six cents a week. This insures membership in the benefit fund. When the Benefit Association was organized by the International Harvester people, the company pledged itself to contribute \$25,000 to the fund at the end of each year provided fifty per cent. of the employees became members. In the event that seventy-five per cent. of its employees took advantage of the plan, the company pledged itself to increase its contribution to \$50,000. Here let me say that the contribution was raised to \$50,000. The benefits are to a large degree similar to those given by the two organizations I mentioned before.

"The Jeffrey Manufacturing Company of Ohio has a Mutual Aid Association whose dues range from twenty-five cents a month to one dollar a month. These rates are based on the wages of the members. The benefits in case of accident or illness depend on the class of membership. The man who pays one dollar a month receives a weekly payment four times

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as great as that received by the boy who pays twenty-five cents a month.

“Compared to large organizations like the Standard Oil or the Harvester Company this firm is still in its infancy. Small as the payments are, however, they are nevertheless valuable. From two standpoints. First of all, the sums, however trifling, help to make matters easier for the man who is laid up. And secondly, it shows that the firm is actively interested in the well-being of the employee even after he is disabled.

“This form of relief work has proven very popular with workers in all industries. Many of the department stores have inaugurated Mutual Aid Associations. So have the machine industries, and food products companies. Bloomingdales, R. H. Macy, Best & Co., John Wanamaker, Altman & Company, Sears Roebuck, Gimble Brothers are representative of the first. The Cleveland Twist Drill Company, Forbes Lithograph Company, the United Shoe Manufacturing Company and the Westinghouse Electric and Manufacturing Company are examples of the second. The H. & J. Heinz Company, famous for its fifty-seven varieties, and the Shredded Wheat Company are examples of the third. Then there are the miscellaneous industries like the publishing houses represented by the Curtis Publishing Company, and express companies represented by the American Express Company

and Wells, Fargo Company. You understand, of course, that it is impossible to give you all of them. But let me say this. There are, I think, more representatives of this type of welfare work than for any other. I use the term welfare because we have not yet coined a better one. What I mean is this form of humanization of industry."

Hardwick bent forward.

"Humanization of industry," he repeated after Struthers. "Do you know, Struthers, that's not a bad phrase. Humanization of industry. The question is, can industry be humanized and does it pay in its humanized form? Can a plant be as productive of labor when the man at the head considers his employees in the light of a conglomeration of individualities instead of a mass of man power? I don't know, Struthers, I don't know. It all sounds very fine and noble but I don't see how it can work out. However, I am interrupting you. There was something more you had to say on this disability business. You go ahead now and don't let me interrupt you with my querulous quaverings."

Struthers continued.

"In speaking of the pension work of the different plants I believe I spoke of the disability pensions introduced by some of the plants. Those are akin both to the benefit funds and the pension funds. Their flavor smacks of both of them. First of all they are intended to meet sickness or disability on the part

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of the employee, and secondly they are in a great measure, permanent annuities, and depend, as pensions do, upon length of service. Most of them are voluntary contributions on the part of the firm. In a few cases, however, specifically, in those that require the employees to make some contribution to their regular pension fund, the disabled man or woman has during the course of employ paid a part of their wages into this fund in anticipation of the possibility of some day being disabled.

“The usual number of years of service that entitle an employee to a disability pension is fifteen. The age of incapacitation in the large majority of cases not fixed. And very wisely and thoughtfully so. In a number of instances, however, there is a minimum age of sixty-five years.

“Almost all the Telephone Companies have inaugurated disability pension plans. Their rules call for pensions that are on a par with those of the superannuated employees. The only requirement they make is fifteen years of service. A man or woman in their employ who is for some reason or other permanently disabled after she or he has finished the stated period of employment is entitled to a disability pension that is computed by taking one per cent of the annual average pay of the last ten years of employment and multiplying the result by the years of service. The smaller number of years of service naturally make the annuity less than that received by the man who

has filled all the requirements of the regular pension, but the principle guiding the introduction of such a scheme into the plant is the same—that of providing for the employee after he ceases to be of productive value.

“Deere & Company of Moline, Illinois, give their employees disability pensions after a service of only ten years. There is, however, a drawback to this plan. Due to the fact that the amount of the pension is not fixed by a definite formula but is decided by a committee of the plant, it makes the allowance take on the form of a philanthropic measure. Nothing is so obnoxious to any individual who has formerly been independent than to feel that he is being paid an arbitrary sum by his superiors which has apparently no connection with the type and kind of service he gave. It may be of course that people like Deere & Company give, in the long run, much more generous disability pensions than those companies which have a stated formula, but in order that the plan may be put on the highest possible plane of dignity, it seems to me that it should be controlled by a fixed basis of computation. If the employee is to be made to feel that length of service is to be rewarded by care of him by the firm when service is no longer possible, then a definite pro rata principle is not only advisable but absolutely essential. Else the very purpose of the plan is frustrated at its inception. No employee is satisfied to know that in case of an incapacitating

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accident occurring to him, his employers will consider the sum to give him annually in order to enable him to live. He doesn't like the 'give' of the arrangement. He wants to feel that the annuity has some bearing on the service that he rendered when he was employed. No man trusts another when it comes to judgments that are as vital as future means of living. He wants to know to-day what it is he will get if he is crippled ten or fifteen or twenty years from to-day.

"The Equitable Life Assurance Company of New York makes ten years' service the basis of its disability pension but also sets a minimum age of retirement at sixty-five. The drawback here is equally apparent. The question of disability does not wait upon rules or regulations of any firm but comes without apology or warning at any age. However, this may in time be changed. Just as long as an appreciation of the employees' needs has been shown, a scratch on the surface has been made. Something constructive has been done and it is something that is worth while. In this case, the annuity that the disabled employee receives is two per cent. of his aggregate salary while in the employ of the company, provided the annuity does not exceed thirty-six hundred dollars. What with the fixed age requirement, it really takes on more of the nature of an ordinary pension than that of a disability fund.

"The National City Bank of New York has a disability fund whose annuities are guided by the same

rules as its ordinary pensions. Here again, however, the employee must have reached his sixtieth birthday before he is entitled to an allowance.

"The Van Brunt Manufacturing Company of Horicon, Wisconsin, the B. F. Goodrich Company of Akron, Ohio, the Virginia Bridge & Iron Company of Roanoke, Virginia, are representative of the firms which give their employees disability pensions at any age, provided only that they have completed the required number of years of service. In the instances given they are ten, fifteen and twenty years respectively.

DISABILITY INSURANCE

"S. W. Straus & Company of New York has what is perhaps the most unique plan for providing for its disabled employees. On July 1, 1919, every man and woman in the employ of the company received life, health and accident insurance. All the premiums and expenses of this are paid by the company. Just now we are concerned with the health and accident allowances. The provisions of this were as follows:

" 'For any injury or sickness resulting in necessary absence from employment for more than one week, the person insured will be paid, after the first week, seventy-five per cent. of the salary he is receiving at that time. This will continue during such necessary absence, up to fifty-two weeks. For the purpose of

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this insurance the maximum salary considered is \$5,000 per year. That is to say, those receiving more than \$5,000 will receive only the weekly payment based on that amount, or \$72.11.' This insurance, let me add, in no way interferes with the salary of the employee, which continues during the period of his disability, but is intended primarily to meet the increased expenses accruing upon his illness. As far as I know this is the first attempt to consider the welfare of the sick employee to this extent.

"So much then for help given the individual while he is alive and capable of taking advantage of the rewards for service rendered. There are, however, two more phases of relief work dependent upon an employee's loyalty to and interest in the work of the plant. They both come under the general heading of death benefits. The first is the issuance of life insurance policies of the employees by the company. This is popularly known as group insurance. The second virtually amounts to the same thing with the exception that the firm, and not the insurance company, itself pays the heirs of the deceased a certain amount of money upon his death.

GROUP INSURANCE

"The group insurance plan has found wide vogue among large employers. Unlike the pension and disability plans, they do not call for completion of a

specified period of service before the employee can take advantage of them. Let me explain more clearly. In the various pension plans, for instance, the employee knows that after he has finished twenty, twenty-five or thirty years of service, he will not be cast into the driftway to take care of himself as best he may. It is something that he looks forward to in the distant future. The insurance plans, however, provide, not for himself so much, unless it be in peace of mind, but for his family after he dies. The question of number of years of service enters into the arrangement in a measure, it is true, insofar as the man who has been employed ten years, for instance, gets a larger insurance policy than the man who has been employed only one year. But one year or ten, the employee is assured that his family will receive a certain fixed sum from an insurance company after his death. Some companies insure their employees immediately upon their entrance into the firm; others make six months' service the minimum requirement; still others make it a year.

"The American Sugar Refining Company insures its employees after three months' service. Five hundred dollars is the minimum principal that the heirs receive and one thousand dollars the maximum. With each year of service the amount of insurance is raised one hundred dollars until the maximum amount is reached.

"The B. F. Goodrich Company of Akron, Ohio, has

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an insurance plan very similar to this one. It, too, starts with giving its employees an insurance policy at five hundred dollars. In their case, however, the length of service before an employee is admitted to the plan is one year. After that the principal of the policy is automatically increased until it reaches the maximum of one thousand dollars.

"The Guardian Savings and Trust Company of Cleveland has a blanket plan which insures all of its employees for one thousand dollars, irrespective of the number of years of service.

"Late last year the American Woolen Company of Boston issued a notice to all of its employees informing them of the inauguration of an insurance plan which began with a principal of seven hundred and fifty dollars and went up to fifteen hundred dollars, depending upon the length of service. Its schedule was seven hundred and fifty dollars for less than one year of employment; eight hundred and fifty dollars for more than one year, and less than a year and a half; nine hundred and fifty dollars for more than one and a half years and less than two years; one thousand and fifty dollars for more than two years and less than two and a half years; eleven hundred and fifty dollars for more than two and a half years and less than three years; twelve hundred and fifty dollars for more than three and less than three and a half years; thirteen hundred and fifty dollars for more than three and a half years and less than four years;

fourteen hundred and fifty dollars for four years and less than four and a half, and fifteen hundred dollars for four and a half years and over.

"There were one or two interesting provisos in this plan. The first held that in case of permanent or total disability before the age of sixty years, the amount of insurance will be paid in either one lump sum or over a period of years. Another assured the employee that he would not have to undergo any physical examination in order to become a member of the plan. That, by the way, is one of the favorable provisions of most of the group insurance plans.

"The announcement of the plan of this company made plain these facts: the insurance is provided at the expense of the company. No deductions from wages or contributions of any kind by the employees will be required. The insurance does not in any manner take the place of or interfere with the Workmen's Compensation Laws or any other insurance the employee may have taken out for himself. The action is voluntary on the part of the company and constitutes no contract with any employee and confers no legal rights on him. It does not change his freedom to leave when he pleases, nor the right of the employer to dismiss any employee. The insurance ceases upon termination of employment.

"The New York Times insures its employees after six months of service. The same conditions as those announced by the American Woolen Company virtual-

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ly holds true for them. There is this difference, however, a difference which, by the way, holds true for a great number of the organizations which have adopted the group insurance plans. When an employee leaves the employ of The New York Times, his insurance ends automatically in so far as payment of premiums by the company is concerned. But, the employee can, if he wishes, continue his insurance on his own responsibility. That is, he can arrange with the insurance company to continue as a policy holder. The rates, of course, are different. But there is something gained in that the policy is still alive if he wishes to continue it so.

“The Phelps Dodge Corporation, employing some ten thousand men, insured all of its men for fifteen hundred dollars. This sum is paid upon the death of the employee irrespective of the amount given to his heirs by the Workmen’s Compensation laws obtaining in the different states. The latter are compulsory measures, controlled by the state; the insurance plans are voluntary ones arising out of a regard for the employee.

“The rules of S. W. Straus & Company call for the payment of a sum equivalent to the yearly salary of the person insured. The maximum amount of insurance, however, is \$5,000. That is, every employee is insured for the amount of his yearly salary, excepting those who receive more than \$5,000 a year. These are insured at the flat rate of \$5,000. A total disability

clause is included, under which the amount of the insurance as outlined will be paid to the employee himself if, before the age of 60 and while in the employ of the company, he shall become disabled to an extent preventing further employment.

DEATH BENEFITS

"Similar to these insurance plans and differing from them only insofar as the employer and not the insurance company pays an allotted sum to the beneficiaries of the deceased employee, are the death benefit plans adopted by a great many organizations. Most of these are still in a nebulous state. What I mean is, that although many plants have made them a part of their systems, few of them have made definite rulings about them. Death benefits are paid by a vast number of organizations, but they are very much similar to the disability funds paid by some of them. That is, each individual case is decided as it arises. The employee has nothing definite by which he can be guided.

"There are, however, a goodly number of companies which have formulated a fixed scheme of action. The American Telephone and Telegraph Company is one of these. There is a special ruling controlling the death of an employee by accident. This calls for the payment of three years' wages to the beneficiary of the dead employee. In no case is this to exceed five thou-

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sand dollars. Funeral expenses to the amount of one hundred and fifty dollars are paid in addition.

"Just now, however, we are not concerned with deaths by accident. Those are the rare cases. There is something dramatic and sensational about those that in themselves call for special rulings. The company's legislation on ordinary deaths is the more important by virtue of the greater number concerned. The amounts of the death benefits are controlled by length of service. If the employee's term of employment has been from five to ten years, his beneficiaries get an amount equal to six months' wages. If his employment has extended over a period of ten years, his heirs get a sum equal to one year's wages. The maximum amount of money in no case exceeds two thousand dollars.

"The company has also laid down definite rulings of precedence for paying the death benefits. The wife or husband of the employee comes first. If there is no wife or husband living at the time of the employee's death, then the children of the dead employee or their issue are entitled to the receipt of the death benefit. If there are no children, any relatives who were dependent upon the deceased employee for support, may claim the death benefit. This claim rests upon the condition that the relative making the claim received at least twenty per cent. of the employee's wages during his lifetime. Should there, however, be no such dependent relative existing, then the amount of the death

benefit, minus the funeral expenses which are met up to the sum of one hundred and fifty dollars, revert back into the Employees' Benefit Fund. It is out of this fund, as you will remember, that sickness and disability benefits are paid.

"An interesting point contained in the rulings of this company reads to the effect that should an employee die during disability from accident or sickness, the death benefit payable to his family shall not be subject to deduction of previous payments of disability benefits.

"The families of pensioned employees cannot, however, apply to the company for death benefits. In a manner, the death benefit is to the active employee what the pension is to the superannuated one.

"There are a number of companies, however, where this pension distinction is waived to the extent that the pensioner's widow either gets an additional death benefit or a continuation of the pension annuities. The National City Bank of New York is one of the firms that continues the pension annuity after the death of the pensioner. Armour & Company and Cheney Brothers of Connecticut also continue the pension to the widow and children of the deceased pensioner. These last two, you will remember, are firms of the type that pay their pensions out of a fund to which the employees subscribe.

"To continue, however, on the subject of death benefits of employees in active service. The People's

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Gas Light & Coke Company of Chicago pays a death benefit of an amount equal to one year's salary to dependents of all employees who have given one year or more of service. That is an unusually generous ruling. The Cleveland Foundry Company, makers of oil stoves, pay death benefits ranging from two hundred to one thousand dollars, depending upon the length of service of the deceased employee. Dependents of employees who have been in the employment of the company for less than three months are paid a death benefit of two hundred dollars. Dependents of employees of more than three months' service get the equivalent of one year's wages, subject to a maximum amount of one thousand dollars. If there are no dependents, then nothing but the funeral expenses are paid."

Struthers drew a long breath. He dug his hand into his pocket and drew out his pipe. He lit it and took a deep whiff at it before he went on.

"So much for facts, Hardwick. They tell their own story, of course. I don't need to rub it in. But understanding what production means to a plant, apart from the appreciation of the human material with which you are working, you can readily see what these things will mean toward making the employee desirous of continuing his connection with a firm. Take the matter of insurance, for instance. A man will think twice before giving up a job that will give his wife and youngsters something with which to face the world

after he 'goes west.' It gives him a feeling of safety and confidence that goes far toward building up a warm regard between the man who is responsible for the plan and himself. And, as I have emphasized again and again, you cannot discount the value of this feeling. You can't afford to be superior to it. It is something alive, vibrant, active. It brings definite results in the relation between your supply of material and the demand that your purchasers make.

"I understand fully," Struthers continued after a few puffs at his pipe, "that all these reforms can be turned to vicious purposes. What I mean is, that some employers may inaugurate them for the main and only purpose of attracting workers where the other conditions of the plant would serve to repel them. Unclean working conditions, dark factories, long hours, things of that sort. It has been done, I know. An unscrupulous employer will dangle the bait of an insurance plan and the foolhardy and near-sighted man-out-of-a-job will bite. He will get the insurance, or rather his wife and children will, and much sooner than he might if he were working under healthful and progressive shop conditions. I am not, however, speaking of that type of employer. He is certainly not the progressive one and most certainly not the successful one.

"You see, Hardwick, there has to be something more than a superficial gloss of humanity that masquerades over a deep feeling of enmity and bad faith.

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You were inclined to think well of the phrase used to designate the type of reform we needed in industry. I spoke of the humanizing of industry. Well, that's what you are doing when you make plans to assure your employees that they and their families will be cared for when that need arises. And what's more, that they will be cared for, not because it happens to be your whim to do so but because you feel that the employee is entitled to such care after he has given you the best of himself in years of service. Whims have nothing to do in industry unless they arise out of a sense of justice and human fellowship."

Hardwick smiled.

"And yet it was a whim that made me ask you to come to me here," he said.

"Oh, no," was the quick retort. "Oh, no. You're wrong there. It was not a whim. It was sound common sense, business sense, if you will. Things were at sixes and sevens; you found that the old methods didn't go; you didn't know or were afraid to try new methods; you decided like a drowning man to clutch at a straw; I was the straw, not because it was a whim of yours to make me so but because Thompson had spoken of me to you. Come, come, Hardwick, confess. If this place is going to be changed, it won't be because it was due to a whim of yours but because, I repeat, you discovered that old methods didn't go and that new methods had to come. Because, old man, you hate a failure worse than you hate the

thought of Hell and because you wanted to know the things that would prevent you from being one. Not that I can do more than tell you, Hardwick, for I can't. Changing things is something that you have got to do for yourself. What I can do is to show you the things that are being done by successful men, by men with vision; by men who appreciate that the only way to keep things humming with the song of things being done is to step in line with the tune of the times. And the tune of to-day is a very fine and beautiful one, if you will only stop to hear it. It is the one of understanding and coöperation among human beings. You lose nothing in prestige and dignity by singing it. You gain a wealth of power in increase of energy and spirit." Struthers stopped and turned to his pipe once more. Hardwick broke the silence that ensued for a few moments.

"And suppose, Struthers, just suppose for a moment," he said, "that I follow your damn fool ideas about singing and all that stuff, what good will that do me if my men won't sing with me? You don't suppose that the idea of being a soloist is a very attractive one. It makes me feel, well, I can think of no better comparison than that of dreaming that you're walking around without your clothes on. You know that dream. Lots of people about, dressed and decent and you undressed and indecent. Suppose I do these things that, to you, seem the be-all and end-all of success in industry, suppose I do them and the men think me a

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damn fool and laugh at me behind my back and call me all sorts of a soft dotard. Suppose that while I am singing this mighty song of yours of understanding and coöperation, these men of mine are carousing in a drunken brawl over the foolishness of the man who is employing them. Figuratively speaking, of course. How do I know they want these things? A job's a job to them; it's not a life work."

Struthers got up from his chair. He looked down at Hardwick.

"How you argue, man. Around and around in a circle. First you see the value of these things, then you don't; you listen to facts that argue for permanency in a man's job; you agree that there is truth and sense behind them and then you grow fearful lest you be taken in by something; you are convinced that other men have successfully tried out these experiments and then you want to know whether your men want them.

"Whether they want them or not is not so much the point," he continued. "They want something. The thought may not have found shape in their minds but it is there. If they do get something valuable and constructive they will be quick to appreciate it and quick to understand it was that they were fretful about. Stop wondering about what will be thought of your schemes. Do things and find out. How do you imagine the men who first started this work of getting closer to their employees felt? Not only were

they open to the distrust of their employees, this thing you so foolishly fear, but they were, besides, open to the ridicule of their fellow-employers. There, if you please, was the real fight. And was there any distrust and ridicule? No. And why? Because the movement was so basically sound; so humanly sound. For heaven's sake, Hardwick, stop being so damnably self-conscious and introspective. Get out of yourself; stop appraising yourself and learn to be a human being. It is going to cost you some money to begin with, I confess, but it will be very much worth your while."

Hardwick sat looking at Struthers a few moments after the latter had finished. A curious smile played about his lips. He moistened his lips with his tongue, then drew in his upper lip between his teeth. The smile still played around his lips when he spoke.

"Do you know, Struthers, that you have a curious way of getting down to the bottom of things in spite of your wayward digressions? That about my being self-conscious and introspective, for instance. How the blue moon did you know? And, by the way, where do you get all of this? Where did you get your knowledge of human beings and the method of tackling them? Why is it that you can talk to Hurley and Larry in a way that is not offensive both to yourself and to them and that I can't? Where did you get your philosophy of the humanness of human beings?"

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Struthers went on puffing at his pipe. When he spoke his voice was low and reminiscent.

"You want to know where I got this philosophy of the humanness of human beings?" He grunted amusedly. "By rubbing up against them," he said after a while. "By rubbing up against them close. So close that I could smell either their onion breath or the odor of the good clean soap with which they bathed themselves. But whether it was an onion breath—come, don't look disgusted—or the odor of expensive soap, the make-up of the man behind it was the same. To a degree, of course. Some were brilliant, and some were stupid, or perhaps only ignorant, but behind it all, as I have said before, there was the same human being with the same qualities for being sad or being happy, of being satisfied or discontented, of being successful or being a failure. Again I say, in varying degrees and in different degrees.

"The opportunity was given me to discover this in the newspaper work I was doing for a time. There is nothing like a job on a paper, Hardwick, that will make you see how few are the patterns out of which human beings are shaped. How pitifully few. It would seem to you that because of this scarcity of pattern, human beings would more quickly recognize themselves in their neighbors. But they don't. Each one of them goes on with the very foolish belief that what was once said of Lincoln is equally true of themselves. That the Lord made one image and then lost

the pattern. It's funny that. Except that it sometimes is sad." He looked up with a smile. "You and Hurley are a good deal alike, you know. You resent my saying that. So does he. But you are alike in spite of the fact that he considers himself an intellectual wage-slave or some such tommyrot and you consider yourself a scion of nobility or some other such nonsense. It all boils down to the same thing. You are both wrong. There is nothing the matter with either of you except that you are two human beings. And there would be nothing the matter with you if you both appreciated that.

"However, to go on. I used to be sent out on stories. All sorts of stories which meant meeting all sorts of people. At first I was scared, fearfully so. When I was sent to see a big man I was afraid my mind was too small to encompass him. And when I was sent to see somebody at the other end of the social scale I felt self-conscious for fear I should embarrass him. It was tough work. But"—he paused reminiscently—"but I soon discovered that the mind of the big man was not so overawing as I imagined and that the man who might possibly be in his employ was not so very greatly stunned in my presence. The fact of the matter is, I suppose, that all men feel a kinship to newspapers. They open up and grow confidential to a newspaper man where they might not to an acquaintance. There is a very good reason for this. When a man has something to say for publication, it

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usually concerns one of his pet hobbies. That is what usually impels him to get into print. And there is nothing about which a man will grow so loquacious as a hobby, whether that hobby is politics or pet canaries. And once you get a man talking, you discover the color of his make-up.

"It was not long before I came to the conclusion that there was nothing to fear in meeting any man—or any woman, for that matter. Way down deep below the surface, they were all the same, prompted by the same desires, the same prejudices, the same ambitions. That if they were given only half a chance they would expand and show the human material out of which they were fashioned. And all were human, Hardwick, all of them. Without exception. All interested in holding down and talking about his own particular job and all anxious to show that without him the job could not exist. All ready to talk of the little details that go into the make-up of his life and all willing to discourse on the need of changing this old world of ours." Again Struthers paused for a pull at his pipe. He slowly exhaled the smoke through his nostrils, then continued. "It wasn't unpleasant all of this. As a matter of fact, it was mighty pleasant. And interesting. And warm. It gave you a feeling of kinship with the world. Made you feel that because of this quality of humanness there was some hope of arriving at an understanding between the component parts of society.

“I drifted into this employer and employee wrangle. Here, too, I found that the employer was human and that the employee was human. That they were both men. That if given half a chance they might understand each other. That under other circumstances they would understand each other. That if the conditions were different, if both men were owners of plants or both men workers in plants, they would be playing poker together, and have their wives visiting each other and have their children quarreling with each other. But conditions not being different, they hid their humanness from each other. It was part of the game they were playing, that of holding down their jobs. John Brown felt that because he employed Tim Murphy, he had to bark at Tim whenever he gave him an order, and Tim Murphy seemed to think that part of his job lay in snarling at John Brown whenever the latter turned his back. They thought, and heaven help them, still think, that these were the rules of the game. They forgot that they were human beings, that they had hundreds of things in common, not the least of which was their work.

“But underneath it all, Hardwick, John Brown hates the barking and Tim Murphy hates the snarling. They are human beings, you know, and this business of performing the dog trick is not very satisfying. John Brown is a human being who, by virtue of his ability and force of circumstances, is in a position to direct a big job. In the same manner Tim Murphy

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because of his peculiar aptitudes holds down a different kind of a job. Both their jobs, however, depend on one thing—the health of the plant, by which I mean the degree of success of the plant. And the health of any plant can be greatly improved by giving it coördinated treatment instead of the constant wrangling, tearing, backbiting that will wear down the nerves of any organization. You may smile at my speaking of the nerves of an organization. But, Hardwick, every organization has nerves. You can feel them the minute you come into a shop or a factory. Some of them are torn and mangled and some of them are strong and firm. They are a reflection of the shades and leanings and temperament and happiness of the mass of human beings that make up the group. But always, always, Hardwick, it is the human being end of it that you've got to understand." Again Struthers relapsed into silence.

Hardwick stood up, walked up and down the room a few times, then stopped before Struthers.

"It all sounds so simple, Struthers, when you speak that way. You with your great faith in humanity. But it isn't really so simple. It isn't. Because humanity is not so simple. They sometimes frighten me, those different shades and leanings that you speak of. You may strike a responsive chord in one of them but the others remain untouched. How are you going to get at all of them, and can you get at all of them? Can you? Won't you always be open to suspicion of

underhanded motives? There's the rub, Struthers. There it is. That no matter what you do and what the motive that impels you to do it, it will be misconstrued by a good number of the men it affects."

"True," Struthers agreed. "Up to a certain point, however. Once you have conscientiously done everything that it is in your power to do to assure the men that you are acting straight and aboveboard with them and are giving them what they like to call a 'square deal' you have won the battle. For, Hardwick, you will have appealed to every type of individual among them. To some of them it will be the educational measures that will bring you closer to them; to others it will be the recreational; to still others it will be the pension plans, and so on and so on indefinitely. Each to his own liking. Each to his own need. Human likings and human needs, Hardwick. Remember that, always. Human likings and human needs. They play an important part in the life of the plant."

CHAPTER EIGHT

HOUSING

THE factory whistle blew its shrill dismissal. In response to it the men came pouring out of the doors of the buildings. Hardwick watched them from the window of his office. He noticed that a good many of the men had apparently taken advantage of the cleaning-up facilities which had been installed in the shops. They were not half-bad to look at, these men of his, with the dirt and grease washed off their faces. Not a few of them had doffed their overalls and changed into street clothes. That, too, was a decided improvement. He noticed the boy, Larry, walking along with a swift easy grace that his ill-fitting but clean clothes could not hide. He looked like a capable lad. Hardwick took in the clear-cut features, the deep-set eyes, the high cheek-bones. It was a good face made attractively expressive by a spirit of responsibility that hovered over it. The boy was nearing the window at which Hardwick was standing. With an ungovernable impulse Hardwick pulled up the lower sash and stood waiting for him to pass. As he came within hearing range, Hardwick called out:

"Oh, Larry."

The brisk tones of his employer caught the ear of the boy. He stopped. A half-embarrassed and half-worried smile played about his lips.

"Yes, sir," he responded and came closer to the window. Now that the boy was there, Hardwick wondered what had made him call him. The two stood awkwardly facing each other for a few seconds, then Hardwick spoke.

"Your hip, Larry, how is it coming on?"

The boy flushed. For a moment it seemed to Hardwick that a quick look of relief spread over his features. He wasn't sure, however.

"It's all right now, sir," the boy responded with a smile. "It wasn't really very serious. Except that I had to stay in bed for a while." The flush on his face grew deeper as he continued.

"Mr. Hardwick, you've been very good to mother and me. I want to thank you for taking care of us those weeks. I didn't think I was going to be paid for that time. The fault was mine. I knew that the new ladders were in the next room."

Hardwick looked quizzically at the boy. The boy's eyes met his. "Hm. You say the fault was yours. Hurley says it was mine. That was the reason he gave for having your pay advanced to you while you were ill. What do you say about that?"

The boy shifted his weight uneasily. The young mouth tightened in a manner that was much too old

for it. Hardwick noticed it and wondered what was coming next. Finally the boy spoke.

"I'll say this, sir," he said. "The fault was mine because I was in a hurry to get at some work on one of the machines and didn't want to run into the next shop. It was Mr. Hurley's kindness that made him tell you what he did. He thought he was being square to me when he asked you to continue my pay. If you think it was wrong, you can take it out of my pay envelope, bit by bit."

Hardwick's brow knit together at the expression of youthful courage and pride before him. He looked at the boy with new interest. Here was fine human material; a fine human being in the making. Struthers was right when he had spoken about developing human potentialities to the highest possible degree. Larry was worth an experiment. A movement of the boy as if to go, arrested Hardwick's train of thought. He turned to him again.

"Forget that about the money. Hurley was right. It was no more than doing the square thing by you. Suppose you come in and see me to-morrow afternoon. At three o'clock. Tell Hurley to release you. All right." He nodded to the astonished boy and turned to some work at the table. The boy walked on.

Hardwick was interrupted by a shadow on his papers and the sound of Struthers' voice.

"Hello, chief. Thought I'd stop and say good evening to you same as young Larry did," he said.

It was Hardwick's turn to flush. He made no reference to the talk with the boy, however, but went on to speak of other things.

"I was looking out for you, Struthers. I thought I'd take you home with me if I saw you passing. Can you make it to-night? And is there anything you have up your sleeve? I am willing to be amused. And instructed. Come along," he urged, as he saw Struthers standing undecided.

Struthers bit his upper lip in contemplation. An amused twinkle came into his eyes. It was gone, however, when he spoke.

"I'll tell you what, Hardwick," he said. "I'll go with you if you'll come by the house and let me load myself with some barrage. What do you say to that?"

"All right," was the quick response. "I'll get the car to run us over there." He made a motion to call the chauffeur. Struthers interrupted him.

"No, old man, not with the car. We'll walk it. Same as I do every night. It's not very far. And it will be a good deal more comfortable. Your car couldn't make it in those roads. Besides, it would create too much of a sensation to have the boss's car stop in front of the Hurley house. Come on."

Half reluctantly and half willingly, Hardwick got into his hat and coat and started off with Struthers. Before going he instructed his chauffeur to meet them at the Rawburn station.

They said very little to each other on the way.

When they came into the village proper, however, Struthers began pointing out the ugly weather-beaten houses, telling Hardwick the names of their tenants.

"That house straight ahead of us, with the hanging shutters and broken doorway, belongs to one of the foundrymen. That is, he lives in it. Or tries to. He isn't in it very often. Thinks the foundry a warmer place. And when he's away from the foundry, finds the saloon down the way, a bit, a cozier spot. Has a wife and six kids. All under twelve.

"The one on the other side is Witlik's," Struthers continued. "He's in our shops. A coat of paint wouldn't hurt it. Neither would some new windows—and shingles—and a chimney. It's queer how careless these people are with the property of another man."

Hardwick looked sharply at the man beside him to see whether he was laughing at him. There was nothing in the face of Struthers, however, that could indicate that fact. It was cool and impersonal. Its expression was that of a man acting as official guide.

They passed another ugly little shack, with a drunken chimney perched at one end of its roof. A window box with some half frozen flowers stood on one of the crooked chipped sills. Hardwick noticed the house.

"Who lives here?" he asked.

"Larry," Struthers replied. "Larry and his mother."

"Yes, come along," he said. "You doubtless know the road better than Struthers," he added, half in apology.

Hurley got into his coat and left with the men. It had grown quite dark by this time. Here and there a crooked lamp-post sent out its bleary light on the ugly broken road ahead of them. Hardwick stumbled in the dark a number of times. Every now and then the voice of Hurley would call out, "Easy there ahead. There's a bad place there," or "You'd better let me walk ahead." The men walked on, Struthers still pointing out the badly dilapidated houses to Hardwick. Occasionally he would turn to Hurley for confirmation of the names. They stopped at the darkened windows of one house.

"Who lives here or who used to live here?" Hardwick asked.

"Wheeler," Hurley remarked shortly. "Wheeler; his mother lived with him. Had four kids, three boys and a girl. The old lady came down with typhoid. No sewage system here, you know. Just scavengers. They come along sometimes. The damn thing went through the family. Except Wheeler. The old lady and three of the kids died. Just about knocked Wheeler silly. He left with his boy six months ago. Went to the city, I think. I haven't heard from him since."

The men walked on in silence after he had finished. Before very long the flickering lights of two lamp-

posts lit up their faces. It showed Hardwick's, tense and stern, between those of Struthers and Hurley.

"What are those two lamp-posts here for?" Hardwick asked.

"The station's around the corner," Hurley replied.

"I see," was the quiet response.

As they turned the corner, the glare of Hardwick's car met them full in the face. After the darkness of the road, it was blinding in its effect.

"Queer what a difference a bit of electrical juice can make," Struthers remarked. "It's as light as day here and dark as the night back there. You going now, Hurley?" he asked, as the man made a motion to leave them.

Hurley answered in the affirmative. He mumbled a brief good-by and left them. Hardwick was in the car by this time. He leaned out and called after the retreating figure.

"Good night, Hurley. Good night. And thanks for helping me over the rough places."

The car sped away into the darkness.

The two men were too greatly taken up with their own thoughts to say anything to each other on the way to Hardwick's home. Dinner was spent in comparative silence. It was not until the men were seated in the living-room that they began to talk. Hardwick paced up and down the room while Struthers sat in his old chair by the fire. Finally the former broke out with the words:

"How can you live there, Struthers? How can you stand that dirt and cheapness and squalor? Man, it's horrible."

"Aye, it's horrible," Struthers assented. "But where else can I live?" he asked.

"Here, of course, here. You pack up your things to-morrow and come over to this place. Heaven knows why I let you go there at the very beginning. I didn't know it was as bad as that. You won't stay there any longer. That's settled."

He stopped before Struthers' chair. The latter shook his head in disagreement.

"No, Hardwick, that's not settled. I am going on living there. Apparently the only reaction you got to the conditions you saw, was a regret that a friend of yours was living there. Well, a good many friends of mine are living there. And a good many other friends, of yours too, for that matter. What are you going to do about those? You can't bring all of them over here."

Hardwick continued pacing up and down the room. Again he stopped before Struthers.

"Well, what can I do about it?" he demanded. "Those people are not used to anything better and by very virtue of the fact that they stay there, are willing to live under those conditions. Different people have different tastes, Struthers. Some are more fastidious and others less fastidious. Your tastes have been trained. There is no reason in the wide world

why you should be living amidst those surroundings when you can live over here. Come, Struthers, don't be an ass. Have your things moved over here."

Struthers shook his head a second time.

"Your crooked philosophy again coming to the fore. Hardwick, do you for one moment believe that the people are living in those houses because of any choice in the matter? Do you for one moment believe that if there were any opportunity to show an appreciation of something vastly different, something clean and healthy and wholesome and beautiful, these people would not show it? Do you think that they want to live there? That every mother's daughter of them is not continually urging her husband or her father or her brother to leave the works and go to a place where they can live like human beings and not like so many swine or cattle? Do you mean to say that you can't understand what a case like Wheeler's, for instance, does to families of the men in the works and what the reaction is in labor turnover at the works?

"Hardwick," Struthers continued, answering his own questions, "the people living in those houses are staying there because they can't help themselves or because they think they can't help themselves. The men are afraid to try another place. That's why they stay at the Rawburn works. It's not through love of the opportunities offered here. They want to give their wives and mothers and daughters something better in the way of homes and environment but the

need of meeting the wolf at the door has them gripped close by the throat and they are afraid to make a move. That holds them here and nothing else. That is one of the ghastly things upon which your supply of labor depends. That is one of the ghastly things upon which all labor in the less progressive plants depends: Fear. Fear of not being able to exist without the job. Just as soon as that fear goes, just as soon as the men are assured that there is another job waiting for them, they go, too. You fill their places with men who have left their old jobs for similar reasons. And in time the new men go. And more men come on. And other men go. And so on and on, always shifting, changing, replacing. With the decrease of production that is naturally entailed. Again, Hardwick, lack of efficiency. Lack of an appreciation of the truth that it takes more than a bench and a set of tools to make a man happy in his job; that there are things outside jobs that determine his value to you as a worker. And not the least of those things is the house in which the man and his family live. Live, I say, and not quarter. Quartering does not answer the need. The far-seeing men in business have discovered that. The time of the tumble-down, ugly, factory shack that used to make up the industrial village is gone. To-day, the village built around a plant is fashioned after the most modern plans which include housing improvements of every sort. 'Town-planning' and 'industrial housing' are com-

paratively new phrases, but they are vital phrases in the industrial life of the nation in that they mark one of the most important milestones along the road of industrial progress.

"The war brought out clearly the relation between proper housing and production. The men at the head of the government and the men in charge of government work soon came to a realization that in order to meet the demand of the armies overseas for production, more production and still more production, it was necessary to provide proper housing facilities. The situation in Craddock, Virginia, was one example of this. Bridgeport was another. Let me tell you what happened in Bridgeport. The manufacturers in that city were faced with the housing problem long before we entered the war. Bridgeport is a munition center and supplied the allied armies with war materials long before America sent her soldiers overseas. The demand for workers was sent broadcast and almost overnight that city became the Mecca of skilled and unskilled workers of every kind.

"The men, with their wives, sisters, cousins, and aunts, swarmed into the busy manufacturing town and were soon put to work in the factories engaged in war work. The Remington Arms Company employed hundreds of them; so did the American Chain Company, and the Crane Company, and the Melville Iron Company, and many more of them, all within a small radius. The city thrived financially; both the owners

and the employees made money ; but the spirit of the work was not happy. With the ever-increasing amount of business and the ever-growing influx of people there came a perceptibly spreading feeling of unrest. The cause was traced to the housing situation.

"The workers were satisfied with their wages, satisfied with their working conditions, but not satisfied with the places they had to live in. As a matter of fact, things came to a pass where there were no places to live in. It was not unusual at the very highest pitch of the work to have three men bunk in one room on eight-hour shifts—that is, a bed would be slept in continually for twenty-four hours, one man clearing out of the bunk when the second shift of workers came in.

"Dissatisfaction with conditions soon manifested itself in a sullen unrest among the toilers in the factories. They demanded suitable and comfortable living quarters. The Remington Company was the first to take the matter in hand. It began building houses. The aim was expedition and quantity. The houses were quickly completed, and although not things of beauty, they served, nevertheless, to meet the immediate problem.

"The other manufacturers watched the results with interest and finally organized themselves under the direction of the Bridgeport Chamber of Commerce, into an organization known as the Bridgeport Housing Company. The different plants put up a suffi-

cient sum of money to insure the development of a large number of well-built apartment and unit houses. The city was studied from the housing angle, and undeveloped plots of ground within the limits, and immediately outside the city limits, were bought at the best possible prices. Appreciating the fact that the work was in its main essentials a war measure, the owners of the properties were generous in their quotations, and it is testified that there was no profiteering.

"A Boston housing engineer was placed in charge of the work. The first unit of houses that went up was a series of model apartments just beyond the limits of the city. These consisted of three-room apartments, intended to meet the need of the skilled mechanic who was making good wages and wanted to live with his family in a decent home. The flats rented for \$10 a room, or \$30 a month, which was entirely within the means of the people moving into them.

"While these apartment houses were going up, the second development was started. A plot of ground right within the city was purchased and building started on a group of 144 homes built around a square, comparable to a New England square, but in this instance used as a playground for the children of the community. The houses were artistically grouped, the streets so laid out as to form a model village. The number of rooms ranged from two to five, meet-

ing the needs of the childless family as well as those of the worker who had several children. The aim toward which the builders worked was privacy of family life and beauty of environment. Modern conveniences and appliances were installed in every home. The two-room house, or section of house, with its own entrances, front and rear, was as comfortable and well equipped as the five-room house. The difference was one of number, not of kind.

“Appreciative of the fact that the apartment houses and the model village would not be sufficient to meet all the needs, the builders started two additional village developments a short distance out of the city, yet sufficiently near to make the ‘jitney’ a possible means of conveyance. These are situated west of Bridgeport proper, in the cities of Fairfield and Stratford.

“The total number of families housed by means of all the four projects was 250. The houses and apartments were rented no sooner than they were finished.

“The Government at Washington got wind of the Bridgeport housing work and noted the kind of houses, the improvements on the property, and the effect on the workers.

“The problem was not entirely solved, however. Bridgeport kept on growing, and its population kept on increasing. Workers poured off the trains in response to the call for help in the cartridge and arms factories. The request of the Government to the Bridgeport Housing Company was to go ahead and

build more. The initial funds of the building company were exhausted, but the Government thought the work of sufficient importance to start additional building under the supervision of the United States Housing Corporation. With the four developments of the local concern as models, the Federal authorities went ahead on five new projects, which furnished housing facilities for about 900 additional families.

"In almost every instance a plot was chosen within walking distance of one of the large plants engaged in Government work. The development of Seaside Village, for instance, was intended primarily to meet the needs of the skilled mechanics working in the factories in the immediate vicinity. The Melville Iron Company was one of them. The Columbia Graphophone Company, also engaged in war work, was another. There were about fifty altogether. Two hundred and fifty modern homes were put up in village fashion.

"Another village community was built at Grassmere, just over the city line. One hundred and one homes were built there. The development of Black Rock was similar.

"At Hillgreen Park, the City of Bridgeport donated part of the town farm and part of the cemetery toward the housing work; result, 207 homes, within walking distance of the Remington Arms. These consist of single and two-family houses in units or in groups. The houses run from four to six rooms. The

property faces a public park, and an open playground has been installed by the housing company, acting as agent for the Government. The City of Bridgeport supplies a teacher for the playground, and thus insures the care of the children during the possible absence of their parents.

"To meet the needs of the clerical workers in the Government Liberty Ordnance Plant, the housing company put up what is known as the Connecticut development, a group of apartment houses, accommodating 108 families. These apartments are comparable to what are known in New York as the two and three-room studios.

"All these houses, 1,100 of them, met the problem of the skilled mechanic who was an American citizen. That status, by the way, was a requirement in the renting of the homes. Good character was the other requisite.

"I had occasion," Struthers continued, "to speak with the engineer in charge of this work. Owing to the influx of workers of all sorts, Bridgeport had increased its importance on the map. Bridgeport wanted to hold these people. I asked him how Bridgeport was going to do it. 'Through her housing improvement work,' was his answer. His plan was to allow the men who rented the houses to pay for them in easy installments. I remember distinctly the point he made that the tie that would keep these people in the city was the one of the ownership of beautiful property.

“‘The war is over,’ he said, ‘the houses have been built, the Government owns the vast majority of them; the manufacturers the rest. The question is how best to dispose of them. The answer lies in coöperative buying on the part of the people who live in the houses.

“‘We have created 1,100 beautiful homes to meet the requirements of every type of family. We are getting the best sort of families to move into them. They are, properly speaking, the kind of people who make the backbone of the nation.

“‘The City of Bridgeport wants to keep them. The way to keep them is to give them some real tie that will hold them here. The homes that we have built in Bridgeport are as fine as any man could wish. They are as good as the rich man can afford, with the only difference that they are smaller. They are well built, they are well equipped. We have paid \$13,000 for a special garbage convenience; instead of having the garbage cans in the house, we have had them built into the ground behind the shrubs in the rear of the house. Screens, window shades, fireplaces, plumbing, heat, electricity, are all of the best. The houses, above all, are artistically built. They will not deteriorate in value if properly cared for.’

“‘So much for this individual care when the improvement work became a subject of municipal interest.

“‘The housing question is perhaps a more interest-

ing one for those corporations whose plants are established in undeveloped areas," Struthers went on. "The mining, steel, and oil industries come under this category. Appreciative of the fact that the best results, gauged from the employee's point of view as well as from the employer's, can be obtained only under healthful sanitary and social conditions, the companies have gone into actual building of towns around or near their works. Unlike the larger towns of the country which have grown up of their own volition, these housing towns are products of short intensified work that has been planned to meet the needs of the situation.

"As soon as a corporation takes over a parcel of land to be developed along the special line in which it is interested, advance surveyors and engineers are sent ahead to map out the district and plan for the building of the town. The size of the town depends upon the number of employees expected to work in the plants. Nearness to a railroad station and nearness to the works of the organization are two of the first considerations borne in mind. Streets are laid out and the numbers and types of houses drafted. In all instances the comfort of the families of the employees, the sanitation of the homes, the educational and religious opportunities, the recreation and the civic life are taken into consideration. The houses are of different designs and vary in size from three to ten rooms, in order to meet the needs of different families.

The most modern of these houses are equipped with electric light and running water. Facilities are provided to keep the town in a healthful state. Sewerage systems are built, and the garbage taken care of. In many a town of this sort one of the first buildings is the hospital. Schools and churches find their place in the plan and in locations easily accessible.

"Where a town is greatly separated from the next town within reach of it, the companies build places of amusement and recreation to meet the needs of population. Clubs, moving picture theaters, athletic fields, all are included. The houses are let out to the employees at a reasonable price, or are sold at easy installment rates. The result in social and industrial growth of the communities has, in many instances, been amazing.

"In every instance where work of this sort has been undertaken by a plant, there is a distinct effort to build the town on artistic lines. Adjoining houses vary in pattern and finish. Every effort is made to give the house an appearance of individuality so as not to make it look as though it were turned out of one cheap mold which has monotonously and unbeautifully been repeated.

"Morgan Park, in Duluth, Minnesota, is an interesting example of housing improvement work that was started with the conscious intention of meeting the demands of all types of labor and all ages of labor. By which I mean that the unskilled mechanic came

in for as much thought as the skilled mechanic and the unmarried man as much attention as the worker with a family. The city was planned to meet the housing needs of the Minnesota Steel Company, the Universal Portland Cement Company and the local yards of the Duluth, Missabe and Northern Railroad. All of these are subsidiaries of the United States Steel Corporation.

"Morgan Park is within the city limits of Duluth, whose population in 1918 was estimated to be about 105,000. The city limits extend north and south for some 25 miles, the Park being a little over 10 miles south of the business center.

"The town is located on a plateau some 40 feet above Spirit Lake and the St. Louis River. Wide ravines separate it from the steel plant on the south and from adjoining territory on the north. These ravines have been turned into natural park areas.

"The street layout presents an interesting combination of straight, curved and radial streets. The long, winding approach and the encircling drives and occasional curved streets made necessary by local conditions give a pleasing variation from the more economical rectangular blocks which occupy the center of the town.

"The main thoroughfare, upon which the street-car line is located, divides the town into two principal sections. This avenue is 80 feet wide, with concreted driveways on either side of the car tracks. The busi-

ness, educational and recreational center of the town is divided by the thoroughfare. This thoroughfare is paved throughout for some two and a half miles beyond the Park.

"The secondary streets are 50 feet wide. All streets are paved with concrete, with park strips and trees on either side, between curb and sidewalk. All sidewalks, housewalks and alleys are of concrete.

"Houses are set back 30 feet from the lot line. The front lawns are sodded and planted with shrubbery groups and the rear lots laid out for kitchen gardens. Deliveries are made from the alleys.

"The lot widths in the present developed area vary in accordance with the width of the houses built on them, the purpose being to maintain a minimum width of 20 feet between adjoining structures, whether they be detached houses, flats or terrace houses. The northerly lot lines are placed close to the north side of the building, to give maximum space on the south side for the growth of flowers, grass and shrubbery. Vines are planted around each house.

"All telephone and electric light wires are underground. Spring water is obtained from two deep wells some 700 feet apart, delivering into a central pump-house and ground-level reservoir and from thence into an elevated water tank. This supply is used for drinking, washing, bathing and ice-making. River water from another pump-house is used for lawn-sprinkling, toilets and fire protection. Separate storm and sani-

tary sewers are provided, the sanitary system being so arranged that a sewer-disposal plant may be put in at the main collecting sewer. At present, the sewage discharges directly into the public waters, as is done elsewhere throughout the city.

"The materials used in the building of all houses in the Park have been chosen with the view of providing dwellings that are attractive, practically fire-proof, durable, comfortable and involving a minimum maintenance and depreciation cost. Cement is used throughout for the exterior walls, in the form of concrete blocks, both pressed and cast, and stucco. The blocks, with the natural surface exposed, give a pleasing texture and coloration to the exterior, which is superior in appearance to any applied finish and entails no maintenance cost.

"Special care has been taken to vary the outline by avoiding a succession of similar house designs. There are some 32 different designs in use, either as detached houses, single and double flat buildings, and terrace or row houses. Provision has been made for every class of employee to a greater or less extent, namely, the managing, superintending and administrative officials, technical force, skilled men and the unskilled labor. The sizes of the dwellings range from 4 to 9 rooms. There are also boarding houses for men and women, and for the single men among the unskilled workers.

"The floors everywhere are of concrete with either .

hardwood or cement finish. Inside walls are furred and plastered. Some of the later houses are decorated with a washable fabric, others are tinted and, in some cases, painted. All exterior walls have air spaces, to insure warmth. The earlier houses are roofed with cedar shingles and the later ones with tile of various soft colors. All doors and windows are screened and provided with storm sashes. Complete provision is made throughout for sanitary plumbing, baths, electric light, gas connections, and hot and cold water. Hot-air furnaces are also supplied throughout, except in a very few instances in the unskilled labor district, where stoves are used. Every dwelling has a kitchen garden, concrete housewalks, ash and refuse cans and clothes poles, grassed lawn and concrete sidewalk in front. Shrubbery is planted at corner lots and between the buildings, with vines on the sunny side of each house, and maintained by the company.

"Of the 46 houses constructed in 1917 on the northern limit of the residential district, a group of 30 is laid out in the form of a residential park. The trees and natural contour of the ground have been preserved as fully as possible and each house located to obtain the best view from the living rooms. The houses, which are all detached and on large lots, constitute the most expensive type considered necessary at any time in the town, being provided with glass-inclosed porches, inclosed rear porches, fireplaces, large basements with laundry, concrete coal and vege-

table cellars, tile roofs, and furnaces with automatic humidifying device. Additional wall fixtures and baseboard plugs for electric devices, ample closets and trunk rooms and, in some cases, additional bath rooms are also provided. The houses run in size from five to ten rooms.

"The first unit of the low-rental houses consists of a group of 42 family dwellings, three boarding houses for single men and a neighborhood house or club for the section of which this unit is the nucleus. These were built in 1916-17, as the result of an attempt to develop a type of low-rental dwelling for the unskilled worker which would combine the features of inexpensiveness, durability, attractiveness, sanitary qualities, low depreciation cost, resistance to fire and weather and pleasant surroundings, with possibilities for social gatherings and recreation.

"In front of the houses, while the 30-foot setback from the street line has been maintained, the front sidewalk parallel with the street has been moved close to the building, so that the area of front lawn between house and sidewalk to be kept in good order by the resident has been reduced to a space to which he is likely to give proper attention. The remaining front lawn is kept in order by the company.

"The dwellings are entirely of the row or terrace type for the purpose of insuring economy in cost of construction and in heating, but monotony of outline is avoided by the varied form of exterior, by the

alternation of two and three-story dwellings, and by limiting the rows to 4, 8 and 10 houses each.

"The houses vary in size from 4 to 6 rooms, some with basements and some without, the latter predominating. Three methods of heating are used—the kitchen range, with heating drum upstairs in the bath-room; a heating furnace on first floor off the kitchen where no basement is provided, and a heating furnace in the basement. In the types without basements, concrete coal boxes are provided on the first floor, either in the kitchen under the stairway or in the rear porch.

"Bathrooms with wash basin, bathtub and toilet are provided for each house, hot-water tank with water-back connections for range in the kitchen, fuel-gas connections, sink, laundry tub, electric light, fly screens, double glass windows, storm doors with convertible glass or fly screen panel, metallic weather stripping, soundproof party walls, and a washable cloth fabric for all interior walls. The floors and the stairs are of concrete, colored with a dark-red pigment in the finish coat. Separate refuse cans for ashes and kitchen waste are provided for each dwelling.

"In conformity with good housing standards, especially where boarders are considered, none of the bedrooms open into each other, though the practice of taking in boarders is not encouraged.

"The three boarding houses for single men occupy the north side of the block and are separated from

the family dwellings by a transverse alley and sufficient grounds north of the alley for use of the boarders. The buildings contain accommodations for 26, 44 and 26 men respectively, each with its own dining-room and family quarters for the housekeeper and force, separated entirely from the boarders' quarters. The boarders' sleeping rooms are large, equipped with steel bed, bed spring, mattress, sheets and blankets; chair, table, wardrobe, waste basket, laundry bag and curtains, and with inlet and return registers. The toilet rooms have hot and cold water, shower baths, wash basins with 'flowing stream' faucets, liquid-soap dispensers, dental bowls, mirrors and shelves for toilet articles. The general construction, interior decoration and other building details are similar to the dwelling houses.

"The Neighborhood House is located on the south side of the block and separated from the dwelling houses by a transverse alley, as on the north end. This building is intended to serve as a recreation and social center for the district. The rooms are so arranged as to give the greatest degree of variety in the use of the building to meet the changing needs of the local residents as the personnel or requirements of the residents vary from time to time or the district increases in size.

"Four buildings of 37, 18, 11 and 8 rooms respectively, have been provided for the single men and women of the clerical and technical forces. The sleeping

rooms are 8x10 feet generally, though some are large enough for two beds or for sufficient extra furniture when used as a study as well. Each room is equipped with bed, writing table, chair, waste basket, chiffonier, wardrobe, rug, window curtains and laundry bag, and has inlet and return hot-air registers and storm windows. The tables and chiffonier-wardrobes are of special design to fit the rooms and to conserve floor space. Shower baths are provided in each washroom and individual cabinets in the washrooms for storage of toilet articles. The floors throughout, except toilet rooms, are of hardwood, the corridors and stairs carpeted, and telephones on various floors. The four houses are located on an attractive plot of ground, well wooded, and with adequate lawns and shrubbery.

"The one drawback that I can see to the improvement work of this city is the fact that the employees of the various plants are not allowed to buy the houses they live in. The houses are definitely placed on a rental basis. Leases are signed for a stated period. These are always subject to retraction upon the workman's leaving the employ of the company. The rentals are in every case, however, much below the level of those charged by private renting corporations. One of the reasons for refusing to sell their houses given by companies that have inaugurated housing ventures is that it would lay the work open to private monopolies which would buy up the houses and then charge

extortionate rents. There is something in that, of course.

"A good many of the housing developments, however, are run on the plan of letting the worker pay for his home in a series of small installments. Indian Hill, one of the prettiest industrial villages located in Worcester, Massachusetts, and built on the New England community plan where the streets and the houses are grouped around a town common, is representative of this type. The Norton Company, whose work I have mentioned to you in connection with the hygienic and sanitation movements in industry, is the sponsor for this housing development. Its purpose was the adequate and artistic housing of its thirty-seven hundred employees. One hundred and sixteen acres of beautifully wooded land were bought and developed.

"Buyers of the property at Indian Hill, that is, the employees of the company, receive every reasonable assurance of the stability of their purchase. They know of the substantial materials that have gone into the building of the houses. They know also that no man can plant a factory or a store or a saloon adjacent to their property.

"The terms of purchase are unique and are such as to meet two important requirements. They both come within the comfortable limits of the monthly payments that an employee in the company can pay and they insure to the company the return of the initial investment.

"The Indian Hill Company requires from the purchaser an initial payment of a certain per cent. of the purchase price, whereupon a conveyance of the property is made. For the balance of the purchase price the purchaser gives two notes, one for \$1,000 payable in twelve years at 5 per cent., and another for the balance of the purchase price payable on demand, with interest at 5 per cent., both notes being secured by a purchase money mortgage.

"The purchaser gives also a supplementary agreement to the effect that he will purchase in a coöperative bank five shares, and will continue payments thereupon until his deposits shall have matured in the sum of \$1,000, which in local banks, at the prevailing rate of interest, takes place in about eleven years and ten months. This insures the payment of the twelve-year note according to its terms. It gives the purchaser a feeling of independence, inasmuch as he does not make periodical payments on the principal to the company, and enables him to become acquainted with coöperative bank methods.

"In consideration of this agreement the company agrees not to make demand upon the demand note as long as the purchaser shall continue to make monthly payments of interest to the company and monthly payments in accordance with his agreement to the coöperative bank. The company further agrees that if he shall die or become incapacitated within twelve years—provided that at the time he shall not be over

sixty years of age—it will accept the surrender value of his coöperative bank shares in full payment of the time note. The result of this agreement is that the purchaser may be assured that at the end of twelve years, or upon his death prior to that, a sufficient proportion of the purchase price will have been paid so that he or his estate will then own the property free of all incumbrances except a first mortgage for not over sixty per cent. of the value of the property, so that at his option he may resort to a bank for a mortgage and be entirely independent of the company.

“The company gives each purchaser a schedule showing the required monthly payments. The purchase price represents the actual cost of the house and land without profit by the company. The original purchase price of the entire area was divided by the number of feet in the tract to determine the base price per foot. To this was added a pro rata proportion of the cost of improvements, such as sewers, highways, sidewalks, engineering expense and architect’s fees.

“Another interesting housing development is the one of the Fairbanks Morse Company at Eclipse Park, Beloit, Wisconsin. Here again, the aim has been one of beauty of structure as well as comfort and convenience. The architectural style followed is the colonial. Just as in the Indian Hill development, the village has been built around a community square surrounded by arcades of shops of various sorts.

“The whole area was laid out under the best city-

planning principles. The tract was divided into seventeen blocks, each one differing from the other in size and shape. This was done with the set purpose of avoiding the checkerboard type of village where each street crosses the other at a monotonous right angle.

"All streets except the main boulevard are fifty feet in width. The boulevard is eighty feet wide. Roadways are eighteen feet wide, and sidewalks four feet wide; on the roadway side of the walk is a grass planting-strip four feet wide and on the house side of the sidewalk another grass strip eight feet wide. In addition, every house is set back at least twenty feet from the front line, thus insuring an effect of grass and shrubs and trees, and making a park-like appearance for the whole section.

"No special recreation features have been provided inside this residential section other than the natural park, for the reason that the Athletic Field of the plant, in which the residents are employed, immediately adjoins it outside the Park.

"Five different types of houses have been used, namely, four-room houses, five-room houses, six-room houses, seven-room houses and eight-room houses. When the development is completed it is contemplated that there will be fifty houses of four rooms each, fifty-four of five rooms each, one hundred and ten of six rooms each, eighty-eight of seven rooms each, and nineteen of eight and nine rooms. Although there

are five types of houses, the architects with very great skill and much ingenuity have developed about forty different designs or styles of houses, all architecturally harmonious.

"The most distinctive achievement has been the skill with which this variety and individuality of treatment has been reached without sacrificing the harmony of the entire development and yet preserving a sense of individuality to each house. Not only have the architects shown great skill in this treatment of the project, but in applying the houses to the land this consideration has equally been borne in mind, so that while the houses are all harmonious there is not the effect of a row of houses all alike that one so often finds even in the best thought-out developments of this country.

"Every house is a single-family detached house. Every house has concrete foundations, with paved cellar seven feet in height in the clear, extending under the entire house. The cellar is equipped with a hot-air furnace, with flues and registers to all rooms. Each house has a bathroom on the second floor, with bathtub, modern toilet and wash basin. The houses are provided with electric lights in every room, and with ample closets in all bedrooms. No kitchen has an area of less than ninety square feet and some have as much as one hundred and fifteen square feet of floor area. Every kitchen is equipped with a modern sink and drainboard, dresser, gas range and closets

for supplies. The latter are equipped with six rows of shelves for storage of supplies in bulk and of kitchen utensils. In the lowest priced houses—namely, the four-room houses intended for small families and persons of comparatively low-earning capacity—a separate dining room is not provided. The kitchen, however, is treated as a combined kitchen and dining room. The room is made larger and buffet corner seats are built in. In all the other houses there are dining rooms. The largest houses have a space at the kitchen entrance to accommodate a refrigerator. All houses have either back entrances or side entrances to the kitchen. Every house is provided with a piazza or porch.

“All of these homes are for sale to the employees of the Fairbanks Morse Company. The plan of sale calls for a first payment of ten per cent. on the price of the house and lot. A first mortgage of fifty per cent. of the selling price, payable in five years at six per cent., is required. The balance is covered by a second mortgage which is payable to the housing company in monthly installments.

“It is interesting to note the prices quoted on these houses. Twenty-four hundred dollars buys a four-room house, twenty-five hundred dollars a five-room house, twenty-seven hundred and fifty dollars a six-room house, twenty-eight hundred and fifty dollars an eight-room house and thirty-one hundred dollars a nine-room house. So much for them.

"Way out west in Tyrone, Mexico," Struthers continued, "the Phelps Dodge Corporation have built for their employees what is, perhaps, one of the most beautiful villages. The architecture followed is the old Spanish. The adobe walls are tinted in grays, pinks, blues and tans with the plaster laid on unevenly as was done in the days of unskillful labor. The houses are roofed with colored tile. Beneath the tile and adobe, however, the builders have put in the best constructive material. The charm of the Spanish architecture has been kept in the general plan. The interiors, however, contain all the improvements of modern construction.

"The houses rent from six dollars to thirty dollars. The lower priced houses are rented by unskilled Mexican workers and the others by skilled workers of every nationality. The cheapest houses are equipped with electric lights, gas, water and sewer connections.

"One of the results of this housing project has been the education of the Mexican laborer to better standards of living. Before the work was started, the Mexican laborer used to rent a piece of land at fifty cents a month on which he built his own ugly, unsanitary shack. To-day there are waiting lists for the houses and apartments that the company has put up. Besides the houses built for the employees the plans of this company have also included offices, shops, amusement places and educational institutions built in the same style of architecture. The city boasts

of a sanitary squad which cleans the streets, takes care of the garbage and makes itself generally useful in keeping the town clean. No charge is made to the tenants for this service. Electricity is sold at seven cents per kilowatt-hour with a minimum charge of fifty cents a month. Water is furnished at fifty cents per thousand gallons with a minimum charge of three thousand gallons a month. To encourage the planting of gardens, the cost of water for irrigation purposes is thirty-five cents a month.

"The appurtenances in some of the houses include such improvements as fireplaces, sleeping porches and garages.

"In direct contrast to this housing venture as far as architecture is concerned is the work done by the Connecticut Mills in Danielson, Connecticut. One of its prettiest spots is composed of a group of houses called the 'Connecticut Gables.' The atmosphere of the whole community flavors of the charm of the period which Hawthorne described in his 'House of Seven Gables.' The houses, quaint, gabled, and strangely attractive, are built around a walled square with a tall, old-fashioned lamp-post in the center. Each house in the group is different from any of the others and has something distinctive to offer to the unity and the beauty of the whole. The houses are built of rough flat stone, stucco and half-exposed timbers. They can accommodate fourteen small families. The apartments range from three to five rooms, with

kitchen and bath and rent from three to four dollars a week. Each apartment has an individual entrance so that the utmost privacy is attained. The employees of the mills may buy the houses if they choose. The single houses average about nineteen hundred dollars; the double ones thirty-six hundred dollars. The employee makes an initial payment of thirty per cent. and pays the rest of the price in monthly installments. Where the man lacks the initial sum, the company, in dependable cases, lends him the money, which he returns in small installments.

“One of the latest housing ventures is that announced by the American Woolen Company. They have organized a Homestead Association for the purpose of improving the housing conditions of their employees. In consultation with the employees of the company, a number of designs are being prepared for a large number of attractive houses ranging from four to six or more rooms. The houses will be sold at cost to the men working in the factories. Money will be loaned to them by the company for the initial payment of five per cent. of the selling price. This loan will be advanced at a low rate of interest. The monthly installments paid by the owners of the property will include interest charges, taxes and insurance, plus an amount that will go toward reducing the mortgage on the property. In no instance is it proposed to make these monthly charges greater than the amount that the employee would have to pay under

ordinary rental conditions. Where he desires, however, the worker may make an additional monthly payment in order to more quickly relieve himself of the debt.

"A unique feature of this plan is the one allowing the employee to borrow money from the company to build a house according to his own plans. That means that he is in no way bound to buy the homes built for him by the organization."

Struthers paused to light his pipe. After taking a few puffs he continued.

"This work has been going on now for a number of years. The National Housing Association in New York has taken special pains to keep in touch with all these movements to improve the housing condition of workmen. Lawrence Veiller, its secretary, reports at least two hundred and thirty ventures of this sort. He is quite honest in his criticism about them. 'Some are good, and some are bad,' he says. Nevertheless, he sees something very hopeful in the beginning that we have made. Although, according to him, we have not yet reached the point attained by the English employers in their development at Port Sunlight and Bourneville, we are on the way insofar that we have ceased building in a hit-and-miss fashion and are going ahead along lines of definite architecture and high standards of beauty.

"Coöperative farming has been included in some of the housing ventures. Where the companies own large

idle tracts of land, it is no unusual thing for them to allow their employees to till it and share the crop among themselves. Most of the steel industrial centers have introduced this form of coöperation as an adjunct to their housing work. Special community cellars have been built to take care of the vegetables during the winter months. Each family has its own locked bin so that all danger of ill-feeling and suspicion is avoided.

"Another feature introduced by the plant housing programs is the visiting nurse. She goes from home to home and instructs the families of the employees in the best methods of hygiene and sanitation. An interesting ruling guiding her work in most of the communities is the one that in no case is she to visit a house unless she is requested to do so by a responsible member of the family. The plant heads are careful to avoid encroaching on the privacy of the homes of their workers. The nurse is there if the families want her. Where she is a capable and tactful woman she is a most welcome visitor in the homes.

"Housing ventures of the kind I have described lend themselves to community and civic improvements of every sort," Struthers said in conclusion.

He puffed at his pipe and watched Hardwick's face through the smoke. It showed keen interest. Struthers dug his hand into his pocket and pulled out some illustrations. He passed them over to Hardwick.

"Here, look at these," he said. "How do they com-

pare with the houses we passed to-night?" They were pictures of some of the developments about which he had spoken. Hardwick looked them over with great interest. Struthers went on speaking.

"Do you imagine for one moment, Hardwick, that the men at the head of these plants went into this work on a philanthropic basis? No, sir! They did it because they were wise and canny business men. They knew that nothing so much as an interest in property would hold their employees to the job, so they proceeded to create that interest. Apropos of that, but not bearing directly on this problem. Shortly after the war was ended I happened to meet an important diplomat from one of the English dominions. The most discussed question of the time was the spread of Bolshevism. 'Is there any danger of Bolshevism spreading in your country?' I asked him, during the course of the conversation. 'Oh, no,' said he smilingly. 'You see, most of our people are land-owners and the two terms "Bolshevist" and "land-owner" are antagonistic. There can be no danger of an evil of that sort where every man is interested in the control and safety of his own bit of property. There is nothing like a sense of ownership that will serve to withstand destructive agitation of any sort. Just as soon as it is his property that is threatened, a man appreciates the value of law and order. It is a selfish instinct, purely, but a very powerful one.'

"It's a good instinct to turn to account," Struthers

went on. "To good account," he qualified. "Because, you see, if you don't turn it to good account, it is turned to mighty poor account. Labor agitators always give the reason of 'self-preservation' in explaining disorder and destruction of any sort.

"The reason is a good one but the channels in which it is turned are sadly lacking in sanity and perspective. It is to men who have reached an appreciation of the value of constructive reform that we must look for guidance in proper interpretation and direction of the instincts and relationships of humanity. I don't for a moment believe that all of the people who have taken a part in the evolution of the humanization of industry have done so through a desire to be just to their employees; most of them were probably prompted by a knowledge of its effects on their positions as successful factors in industry. But this fact remains, that whatever the cause, something has been built up that is worth while. Get hold of that 'something' and make it your own. If the proper spirit does not promote its imitation, then it will come as a result of it. At any rate you will have accomplished something constructive. You see that?"

Hardwick, still looking at the pictures, nodded in the affirmative.

"The National Housing Association," Struthers continued, "has gone into all phases of this subject. As a result of its findings and investigations, it has published a select list of employers' housing enter-

prises. It so happens that all those I have mentioned come under this list. This is purely coincidental, however. You may be interested to know that some of the organizations whose names I have mentioned in connection with other types of welfare work are also listed here. The Goodyear Tire and Rubber Company is one of them. It has established one of the finest housing developments in Akron, Ohio. The General Chemical Company with its housing work at Clayton, Delaware, is another. So is the Republic Rubber Company with its development at Youngstown, Ohio; the Solvay Process Company at Jefferson Rouge, Michigan and the Nelson Manufacturing Company at Edwardsville, Illinois. Still others are the Abbot Worsted Company at Forge Village, Massachusetts, the Scoville Manufacturing Company at Waterbury, Connecticut, the Northbridge Cotton Mills at Northbridge, Massachusetts, and the Mt. Union Refractories Company at Kistler, Pennsylvania.

"There are about forty in this list." Struthers stopped. After a studied pause, he continued: "Some day soon, Hardwick, maybe they'll put Rawburn on it."

Hardwick looked up with a smile.

"Maybe they will," he said.

CHAPTER NINE

PROFIT-SHARING

"It's what you put into your work that really matters and not what you take out of it."

Struthers, seated in his chair by the fireplace, was speaking. "It's what you put into it," he repeated. "Take the case of Larry. You were excited as a kid of ten in seeing him off. I'll wager you derived more pleasure out of that one little contribution to your work than you would have gotten from a high production report. The youngster certainly was happy. As only youngsters can be."

Struthers paused. He picked up the poker and stirred the log. The sleeping fire bestirred itself and burst into a thousand little licking flames. Struthers watched them in keen enjoyment. With his eyes still resting on the flaring lights before him, he continued.

"What made you do it, Hardwick? So suddenly and without warning? And so prodigally. You weren't called upon to go to that extreme. Preparatory schools and college educations do not come within the range of duties of the most generous employer. I certainly did not mean that when I spoke to you

about inaugurating an educational program in your works."

Hardwick laughed. Softly. Half to himself, it seemed. The sort of laugh that a man allows himself with his friends only. He stopped. His eyes, too, sought the fire as he began to speak.

"I am glad you said that, Struthers," he began. "About your not meaning me to do what I did when you spoke about educational programs. Don't think I am ungrateful, man, for I am not, but I did want to do something that was entirely spontaneous with me. Something that you couldn't back up with facts of what other men had done. Something that rose out of a personal impulse. Something that was prompted by an individual case in my own plant, or, if you will, something that was prompted by an individual need in my own plant.

"That desire wasn't a conscious one on my part," he continued. "I knew of it only after I had decided to send Larry away to school. However, to answer your question. What made me do it? Heaven knows! I just wanted to, after speaking with the boy. It seemed a shame to let that fine material go to waste for lack of funds to see him through. Some day I expect to do some of the things about which you spoke. I mean the apprentice schools and extension courses. That will take time, however. Until then, this boy would be marking time. And growing old. For he was getting old, Struthers. It was pitiful,

his sense of responsibility. I agree with you. It is wrong for any child of his years to be ridden with a burden of that sort. He came to see me as I asked. We spoke together for some time. I asked questions and he answered them. Haltingly at first, but more frankly at the end. The boy in him came out and overshadowed the bread-earner. And there was a fine boy there. He told me of the things he wanted to be, of the things his father had wanted him to be, and of the end of those plans following upon the death of his father. We spoke about engines, and power and machinery. He knew more about those things than some of the old pros at school. Knew them intimately, from a practical knowledge and everyday acquaintance with them. Knew them as a cowboy knows his horse. What was there to do? I couldn't give him the education here. I hadn't the facilities. I wanted him to have it. Heaven knows, we need men of the sort that I hope he will grow into. I had the money and he had the material. I simply decided to hook the two of them together and see what would happen. Well, Larry's gone off; four or five years from now we may have something very worth while as a result of this wild impulse of mine. And we may not. You never can tell. In the meanwhile, however, I must confess that I am quite elated over the experiment."

"How did he take the proposition of your paying all

of his expenses at school and taking care of his mother?" Struthers asked.

"Kicked like a broncho. Like a polite broncho, if you can imagine such a beast. Very polite, but kicked nevertheless. I had to fill him with a lot of stuff about owing it to the fine work of his father. I don't know what that old gentleman looked like. Never saw him in my life. He died before I came here. However, I gave him some of the sob-stuff that you've been handing out to me about it being the most efficient thing to do and that he could do the same by somebody else when he grew up. And more along that line. He finally bit. Poor kid, he wanted to bite all along but his sense of pride wouldn't let him." Hardwick smiled reminiscently. He raised his eyes and looked over at Struthers. The expression on the latter's face puzzled him.

"What's the matter?" he asked. "I thought this thing would please you and there you sit looking as sour as an old maid. You surely don't disapprove of my having done this?"

Struthers' face broke into a smile.

"I'm sorry, old man, I didn't know I was looking grouchy. I really am not. I think this is the finest thing you have done. I think it is the finest thing for Larry. But, Hardwick—don't think me a mean old sour-dough for this—but this isn't the sort of thing that your men want. What's more, it isn't prac-

licable. You can do it in one instance and find pleasure in it. But you can't do it in every instance. You can't do it and the men don't want it. It smacks too greatly of patronage and paternalism. The thinking American workman doesn't want that. He wants to do these things for himself. He likes to boast of the fact that he's a self-made man. He likes to boast of the things that he can do for his children. He doesn't want you to do them for him. He wants you to give him the best sort of working conditions and the best sort of opportunities in those working conditions, but he does not want you to go any further. Inaugurate apprentice schools for his sons and he will be grateful for them and appreciate them. But he won't feel that it is something that you are giving him for nothing. He will give you increased efficiency for that. It becomes a matter of plant routine to him. But, take out individual instances and give those instances something that is not open to all the members of the plant and you create dissatisfaction and discord. You become the Lord Bountiful and people don't like that type of individual.

"As far as possible, Hardwick, get away from the evils of patronage and paternalism and inaugurate your programs on a basis of efficiency and coöperation. Do things for all the human beings in your shops and not for one human being in one shop whom chance has happened to throw in your path. I repeat, this opportunity you have given Larry is very fine

and wonderful for him. But there are more Larries in the shop and out of fairness to them you ought to create the machinery that will allow them equal opportunity."

Hardwick kicked the end of the burning log impatiently with his foot.

"Good heavens, Struthers," he said, "forget the efficiency end of measures for a space, won't you, and look at the human side of matters. I didn't do this for Larry as a matter of plant efficiency. I did it because I liked the boy. Because I chose to. That's all."

"But think of the others," Struthers interposed.

"That will come in time. Meanwhile stop lecturing me for doing something that you thought I couldn't do. Seeing the human being below the workman, I mean." Struthers looked up with interest.

"It isn't fair, is it, to jam your own arguments down your throat, but it works," Hardwick continued. "What's more you needn't be afraid of my fathering the whole community. I hate it as much as you. And more than the workmen do. It hits me harder, you see," he concluded with a grin.

"What's up for to-night?"

"Profit-sharing," answered Struthers.

"What's that?" questioned Hardwick. "Profit-sharing?"

"Profit-sharing," Struthers repeated. "Allowing your men to share in some of the profits of the plant."

Hardwick looked at Struthers intently for a few seconds. Finally he spoke.

"Do you know that you sound like an arrant labor agitator? You don't look like one, sitting there by the fire, but heaven knows your words certainly sound like one. Sharing profits. How?" he asked.

"Profit-sharing to the extent that will give the men some real interest in the production of the plant. Are you disposed to listen or are you too impatient with me to-night?"

"Go ahead," Hardwick answered. "Might as well get it over with." He lit a cigar and settled himself comfortably in his chair.

Struthers began.

"We have been talking for the past few weeks on the effect labor reform had on the production of a plant. You agreed with me that giving the men some definite interest in the plant that would serve to make their stay with a plant a permanent one instead of a shifting one had a vital bearing on the output of production. That came naturally as a result of the knowledge of rewards to be reaped in days to come. Like pensions and sickness benefits and things like that.

"Suppose now, we go one step further and appeal to the workman in terms of production, as such. Make him understand in terms of dollars and cents that the more he produces, the more he will get. Make him feel the relationship between production and return.

Make him understand by giving him an interest in the finances of the plant that the greater the output of the organization, the more he will share in the profits, not as a wage-earner but as a member of the producing machinery."

Hardwick interrupted Struthers.

"That all sounds very fine," he said, "but how are you going to do it? Break up your plant and take them all into partnership? Donate shares or interest in your organization, or what?"

Struthers smiled across at Hardwick.

"Quick to draw conclusions as usual. No, do none of the scatterbrain things you have mentioned. Let the experts in managing—heaven save the mark—go on managing the same way as usual but let the workman, in addition to the wages he gets, share in the profits of the plant in one of several methods.

"The most valuable of these methods allow him to take an active interest in the production of the plant by giving him a personal interest in the financial fluctuations of the organization. I mean, letting the workman invest some of his savings in the shares or profits of the plant. Invest them in a specific manner limited only to those who are actively related to the plant. The first of these methods allows the workman to buy shares in the plant on an easy installment basis at a rate below that called for on the stock market columns. The second allows him to contribute to plant savings funds where the savings of the worker

are added to by a stated contribution from the plant profits. That is, for every dollar the workman saves, the plant adds a certain additional sum.

"The third method is the bonus system where the workman is in no way called upon to make any investments but merely shares in profits accruing at the end of the year.

"We'll take them up in turn. One of the earliest, if not the earliest, stock profit-sharing plan was adopted as far back as 1886 when the N. O. Nelson Company, in order to interest their employees in the work of the company, inaugurated a program wherein all employees of the company receive in addition to their weekly wages, a yearly profit-sharing dividend paid in stock in the company. Before a man can participate in the plan he must be employed for six months. His stock certificates are not issued to him, however, until he has been with the company for a minimum period of three years. Until his certificate comes into his possession, he draws six per cent. interest on it. At the end of the three-year period the stock becomes his own like any other stock he may buy on the market. However, to make it truly an employee's shareholding plan no man is allowed to sell his stock while in the employ of the company.

"In most of the other organizations where a profit-sharing scheme is in vogue, the employee who owns shares in the company's stock buys it out of his own earnings.

"Early last year," Struthers continued, "an unusually large number of plants announced that they were going to sell a portion of their shares to their employees. The Eastman Kodak people were one of these. The Endicott-Johnsons were another. There were others.

STOCK PURCHASING

"George Eastman, president of the first of these, issued a statement to his directors telling them of the conditions under which the stock would be sold." Struthers reached into his pocket and took out a printed folder.

"If you are interested in this, I'll read some of it to you."

Hardwick motioned for him to go ahead.

"This thing was dated April 2, 1919," he began. "It is written in the first person and is signed by the company's president.

"I will donate sufficient stock, estimated at 10,000 shares, to enable wage-earning and salaried employees of this company and its allied companies still in the service who completed two years or more of continuous employment on January 1, 1918, to purchase at par an amount of such stock equal to 2 per cent. of their wages earned while continuously employed prior to that date.

"The above offer is made, however, on the condition that this company set aside 10,000 shares of its un-

issued common stock to be issued for cash at par and made available for sale at par from time to time only to wage-earning and salaried employees of this company and its allied companies as they attain two years' continuous service, the maximum amount purchasable by an employee to be an amount at par equal to 2 per cent. of the total wages paid such employee during five years of continuous employment, with the proviso that an employee entitled to participate on the basis of five years' or more continuous service in the purchase of shares contributed by me shall not be entitled to participate in the purchase of the shares set aside by the company, but an employee entitled to participate to a less extent in the purchase of the shares furnished by me may share in the purchase of stock set aside by the company as far as may be necessary to bring his total purchases up to the maximum above stated.

“All of this stock, both that contributed by myself and that set aside by the company, can be distributed to employees most conveniently if represented by certificates of the face value of \$10 each, a certificate representing one-tenth of a share of common stock. Such certificates will carry their proportion of dividends paid on the common stock, but the dividends upon certificates may, for convenience, be paid semi-annually.

“The company should establish a plan to assist employees whenever necessary to take their allotment of certificates and pay therefor in installments.

“An owner of certificates who leaves the employ of the company for any reason should receive for his unmatured certificates their par value with any unpaid dividends apportionable to them, but in the case of certificates not fully paid for, the holder should receive the amount standing to his credit upon his account. In the event of death or permanent disability of an employee holding unmatured certificates, such certificates should, on full payment being made therefor, be exchanged for stock to be issued to such disabled employee or to the estate of the deceased. The interests of the employee in the foregoing respects must be safeguarded by equal representation upon committees formed to deal with all such matters impartially.’

“At first glance,” Struthers continued, looking up, “this may not sound like a very generous plan. In effect, however, it means a decided participation in the profits of the company. Take a hypothetical case of a man making on an average of two thousand dollars a year. The degree of his shareholding would be figured in this manner: His wages for five years would approximate ten thousand dollars. He is allowed to purchase stock to the extent of two per cent. of that amount. That equals two hundred dollars, which is equivalent to two shares of stock at par value. You must bear in mind, however, that the shares of this company are to-day not valued at par but are sold at on the market about six times par value. The returns

on a two hundred dollar investment are, therefore, something like twelve hundred dollars. The employee who takes advantage of this stock purchasing plan shares not only in those profits to which his labor contributed but in those accruing from the labor of his predecessors.

"The International Harvester Company," Struthers went on, "adopted a profit-sharing plan that worked in two ways. First of all it set aside a certain part of its profits every year for distribution among those employees who have given unusual service. The distribution of the sales department's share in these profits is based upon two important points—first, increase in sales; second, reduction of selling expense. In the Works, the profits are distributed for increased production, decreased cost, or a combination of both. This, however, is distinctly a bonus plan. I will go into that phase of profit-sharing later.

"The second classification of the profit-sharing plan is the one which allows the employee to purchase the company's stock on an installment plan. The terms of the agreement upon which the stock is bought are such as to make the purchase highly attractive to the employee. According to the terms a man buying a fifty-dollar certificate to be paid for in two years has contributed out of his earnings no more than twenty-four dollars at the time the certificate becomes his own. This is due to the fact that from the moment he makes an initial payment he begins drawing five

per cent. dividend which is applied to his payments. Together with this, the company every year adds one per cent. of his annual income until the stock is paid in full.

“The conditions of a profit-sharing plan offered to the employees in 1919 were as follows:

“Any employee could subscribe for a Profit-Sharing Certificate for \$50 or any multiple thereof up to the sum of \$1,000. The payments for the Certificate to be made in specified sums of not less than \$1 nor more than \$25 per month, this to be regularly deducted from the employee’s wages. The amount thus agreed to be paid to be sufficient, with the other credits hereinafter provided, to pay such Certificate in full on or before January 2, 1924.

“Whenever the employee is unable to work for the Company because of shut-down or of his sickness or accident disability, his payments may be temporarily reduced or suspended.

“Each employee who subscribed for a Profit-Sharing Certificate before March 1, 1919, and had earned \$100 or more during the year 1918 also to be credited on such Certificate at the date of his subscription with a sum equal to one per cent. of his wages during 1918. If he had been in the Company’s employment throughout that year, this credit to be not less than \$10.

“The Company agreed to credit annually on January 2 of each year, from 1919 to 1924, inclusive,

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on the Profit-Sharing Certificate, in addition to the employee's payments thereon, the following:

(a) An amount equal to one per cent. of the employee's wages earned during the preceding calendar year, if such wages amount to not less than \$100 and the employee is still working for the Company. If he has been in the Company's employment throughout the preceding year, this credit will be not less than \$10.

(b) Interest at the rate of five per cent. per annum on all his payments and credits on his Profit-Sharing Certificate.

"The employee's options," continued Struthers, "were as follows:

"He had the right to apply the amount credited upon his Profit-Sharing Certificate to the purchase, from the Company, of its common stock at \$3 per share below its then market price at any time when such amount is sufficient to pay for one or more such shares; or

"To receive in cash the full amount of his Certificate, with accrued interest, any time after such Certificate is fully paid; or

"To leave with the Company until January 2, 1924, the amount of his paid-up Profit-Sharing Certificate, and (if he continues in the employ of the Company) to receive in cash on every January 2, to and includ-

ing the year 1924, interest thereon at five per cent. per annum and also an amount equal to one per cent. of his wages for the preceding year but not less than \$10; and

“To subscribe from time to time for additional Profit-Sharing Certificates upon the same terms and conditions, provided the total amount of certificates subscribed for by any employee under this plan and the continuation thereof, did not exceed \$1,000 and his payments thereon did not exceed \$25 per month.

“In addition to this, the Company agreed to pay to each employee, while he continued to be an employee and to own stock acquired under this extension of the Plan, in addition to the dividends on his stock, an amount equal to the extra dividend which he would receive upon his said stock if the entire excess of the net profits of the Company for each calendar year prior to January, 1924, over and above an amount equal to six per cent. on the moneys invested in the Company's business during such year, were distributed pro rata to all the holders of its common stock. The Company guaranteed that this amount would not be less than \$2 a year for each share of stock so held by the employee. The guaranteed \$2 per share to be paid by January 10, and the remainder as soon thereafter as the balance sheet had been approved by the Board of Directors.

“Let us take a specific case of a man subscribing for a fifty-dollar certificate,” Struthers went on. “He

filed his subscription during January, 1919, let us say. One per cent. of his wages for the years 1919, 1920 and 1921 will amount to a minimum of thirty dollars. As was stated in the terms, ten dollars is the minimum amount applied to purchases, even though the yearly earnings may be less. He makes twenty-four monthly payments of one dollar each which gives a total of twenty-four dollars. To this is added the interest on his payments which equals \$2.70. On January 1, 1921, this man has to his credit \$56.70. All that he has contributed in cash to this amount has been \$24. He may draw the full amount on January 2, 1921, or he may leave the amount with the company until January 2, 1924. If he continues in the employ of the company he will receive in cash on January 2, 1922, \$12.84; on January 2, 1923, \$12.84; and on January 2, 1924, \$12.84. On the last date he will also receive the principal of \$56.70. The payment of the \$12.84 each year is a continuance of the one per cent. allowance added to five per cent. interest on the \$56.70. On an investment of \$24 he receives a return of \$95.22.

"The United States Steel Corporation issued its stock-purchasing plan as far back as 1902. George W. Perkins, who is responsible for the profit-sharing plans in a good many companies where he is a director, drew up this one. It is in a large measure similar to the Harvester plan. The employees were divided into six classes.

"Class A, those who received \$20,000 a year and

over; class B, those who received from \$10,000 to \$20,000; class C, those who received from \$5,000 to \$10,000; class D, those who received from \$2,500 to \$5,000; class E, those who received from \$800 to \$2,500, and class F, those who received \$800 and less. This division was made to limit the number of shares which the men in each class could buy; twenty-five thousand shares of preferred stock were then offered to the employees of the company at \$82.50 per share, which was a price slightly lower than that demanded on the market. Every man could buy to the extent represented by the fixed percentage of his salary.

“Where a man’s salary was \$20,000 a year or over, he could subscribe for as much stock as five per cent. of his salary would purchase. Where his salary was between \$10,000 and \$20,000 a year, as much stock as eight per cent. of his salary would purchase. Where his salary was between \$5,000 and \$10,000 a year, as much as 10 per cent. of his salary would purchase. Where his salary was from \$2,500 to \$5,000 a year, as much stock as twelve per cent. of his salary would purchase. Where his salary was between \$800 and \$2,500 a year, as much stock as fifteen per cent. of his salary would purchase—and where it was \$800 or less, as much as twenty per cent. of his salary would purchase.

“It was announced that if, on this basis of subscriptions, more than 25,000 shares were subscribed for, in allotting subscriptions, preference would be given

to the men who were receiving salaries of \$800 a year or less, so that if any one was not allotted stock, it would be those receiving the larger salaries.

"It was arranged that subscriptions should be made in monthly installments, to be deducted from the salary or wages of the subscriber in such amounts as he might desire, not, however, to exceed twenty-five per cent. of any one month's salary or wages.

"This provision was made to prevent an employee subscribing for the stock and turning it over to some one else to take up and possibly resell later on at a profit; also, in the case of a smaller wage earner, to interest him in saving a regular amount of money out of each month's earnings. At the same time he was given as long a time as he wished in which to pay for his stock, provided this time did not exceed three years.

"It was agreed that the dividends at the rate of seven per cent., as paid, should be used as additional payments on the stock. Interest at the rate of five per cent. was charged on deferred payments.

"As soon as the stock was fully paid for, the certificate was issued in the name of the subscriber and given to him, and he could then sell it or dispose of it as he chose; but, as an inducement for him to keep it and to remain continuously in the employ of the Corporation or one of its subsidiary companies, and to have an interest in the business similar to that of a

stockholder or a working partner, the following offer was made:

"If a man would not sell or part with his stock but would keep it and, in each January for five years commencing with January, 1904, would exhibit the original certificate to the Treasurer of his Company, together with a letter from the proper official, to the effect that he had been continuously in the employ of the Corporation or one of its subsidiary companies during the preceding year and had shown a proper interest in its welfare and progress, he would receive each year for five years a credit for \$5 for each share of stock he was paying for.

"For example: The first stock offer was made at \$82.50 a share. If a man subscribed for a share of stock and kept paying for it and held it continuously for five years, these five dollars a year payments would in themselves mark the stock down, until at the end of five years, it would only have cost him \$57.50. In addition to this, he received a credit of a considerable sum made up of the difference between the five per cent. interest charged him on deferred payments and the seven per cent. dividend paid him on the par of the stock.

"It was further agreed that these \$5 payments made annually for five years would be deposited in a fund, whether or not the subscriber continued to pay for and finally took up his stock, and that such

payments as were thus left in the fund by men who failed to continue to pay for their stock would be divided at the end of five years among those who persisted in their payments and remained in the employ of the corporation continuously for five years.

"The first year the stock was offered over 10,000 men held on to the stock for which they subscribed; the second year this figure was repeated, the third year it went down to 8,500 employees, the fourth year it rose to 12,000 and the fifth to 14,000.

"Last year stock was again offered for purchase to the employees. The subscription price was \$92, which was a little below the price quoted in the stock market sheets. The original plan with the original inducements was applied.

"These plans of stock purchasing have been widely adopted. The Sewell-Clapp Envelope people, who have made rapid strides in this business of coming to a profitable understanding with their employees, have for some time been selling preferred stock on the installment plan to their men. Dividends of six per cent. are guaranteed them. These are increased if the profits warrant it. This is determined by the size of the dividends on the common stock. Owners of preferred stock may get dividends up to twelve per cent. provided the common reaches that point or goes beyond it.

"A few months ago, the holder of the majority of the common stock of this company, who had been for

more than twenty-five years its President and Manager, wished to retire. Several minority holders of this stock were outside investors, in no way connected with the company. It was found possible to secure their holdings at fair prices. All of the common stock thus being in hand, the problem was to transfer this property on an equitable basis to a group of buyers whose available capital was limited but whose combined power to earn and save was sufficient to undertake the deal. The stock was sold to the employees on an installment plan. The seller accepted a price below real value and took a risk as to final payment. This was justified only by his intimate acquaintance with the business and the character and ability of the buyers. The latter put their shoulders under an undertaking involving a few years of maximum effort in earning and self-denial and joined in a contract pledging to the seller and each other their financial and personal coöperation in a common enterprise. They have obtained on terms rarely possible a property with which they are thoroughly familiar. They have become owners, associated on a strictly democratic basis with men whom they know and trust. It has been made comparatively easy and eminently worth while for them to make for a time a supreme effort in thrift. The seller had the assurance that the business to which his life has been devoted would be continued without radical change in

spirit or methods and that it went into the hands of men who had earned his esteem and confidence.

"During the period that the reorganization went into effect, the psychological reaction has been surprisingly satisfactory and has been tangibly reflected in material results.

"The Procter & Gamble Company," Struthers went on, after a pause, "have a stock purchasing scheme which is, as far as is known, the most generous in its share of profits. It is open only to employees making less than \$1,500 a year. These may purchase stock to the amount equaled by their annual salary. With small annual payments this stock is paid for within a few years owing to the fact that as soon as a man pays an initial fee on his stock he becomes a sharer in the profits of the company to the extent of at least sixteen per cent. dividend on his annual wages.

"The plan is as follows: The stock subscribed for by the employee is held for his benefit by three trustees appointed from time to time by the board of directors of the company. The employee upon having his application for the purchase of stock approved, makes an initial payment of not less than two and one-half per cent. of the cost price. He also pays in cash, during each year succeeding the day of purchase until the stock is fully paid for, not less than four per cent. of the total amount of his subscription. Together with this he pays three per cent. interest on the un-

paid balance. So much for the employee's share in the transaction.

"Immediately upon the first payment on account of the purchase price of the stock, the trustees issue to him a trust receipt pass book which contains the formal contract, called the trust receipt. This gives the amount of stock bought and the amount of money paid on account, and guarantees to the holder of the receipt dividends at the rate of sixteen per cent. per annum upon the amount of wages actually earned by him during the year. These dividends are placed to his credit on the stock which he has purchased. Together with this, the regular dividends of the stock are added as additional payments.

"When the purchase price of the stock subscribed for by an employee together with the interest payable are fully paid for by the employee's own cash payments plus the stock dividends and the sixteen per cent. trust receipt dividends, the trustees recall the trust receipt pass book and issue to him instead a paid-up trust receipt. After that, all further sixteen per cent. dividends on his wages as well as dividends on his stock are paid to the employee in cash.

"After an employee has been a shareholder of the common stock of the company for a term of five years, he may upon written application to the treasurer of the company, increase his holdings of stock under this plan by an amount equal to twenty-five per cent. of his annual wages. Thereafter he receives a trust re-

ceipt dividend at the rate of twenty per cent. per annum upon his wages.

"After he has been a shareholder of the common stock for ten years, he may again increase his holdings to an amount equal to one hundred and fifty per cent. of the wages he is then receiving and thereafter he receives a dividend of twenty-four per cent. upon his annual wages.

"Let us take an individual instance of a man subscribing for stock amounting to twelve hundred dollars, which is his wage for that year. He makes an initial payment of two and one-half per cent. or \$30. Before the year is over he must pay into the fund four per cent. of the entire amount or \$48. The company pays seven per cent. dividends on the stock. Three of these are subtracted to pay the interest on the little less than \$1,200. We'll call it \$1,200 to keep the figures simple. That means that four per cent. of the dividend or \$48 is added to the payments. Together with this the company adds the trust receipt dividend of sixteen per cent. or \$192. At the end of the first year, the employee's debt to the company on his \$1,200 worth of stock is \$882. All that he has paid is his initial sum of \$30 plus his four per cent. installments of \$48.

"The second year the employee again makes his payment of \$48 to which the company again adds the \$192 trust receipt dividend, and \$57.54 which is the stock dividend minus the three per cent. interest on

the \$882. This leaves the employee in debt for his stock to the amount of \$592.46 at the end of that term.

"The third year this debt is further decreased by the \$48 which the employee pays, the \$192 on the trust receipts and \$66.22 as stock dividends minus the interest. This leaves him in debt to the tune of \$296.24.

"The fourth year sees the debt paid with the \$48 contributed by the employee, \$192 by the trust receipt dividend and \$76.11 by the stock dividends. This amounts to \$306.11, which is \$9.87 more than is necessary. The employee pockets that. After his stock is all paid up the employee continues to receive an annual stock dividend of \$84, let us say, plus the \$192 which continues to be his trust receipt dividend just as long as he remains in the employ of the company and has his stock in trust. During four years in which he has made payments the employee paid a total amount of \$222, for which he gets the \$1,200 in stock with its dividends, plus an assurance of a permanent sixteen per cent. extra dividend on his wages.

"The sharing in the profits of this company, as I explained to you, is increased after five and ten years of service and the employee pays even less for a share in stock which in turn nets him an increasing percentage of profits.

"This method of profit-sharing by purchase of stock is like nothing employed in the usual stock-purchasing schemes and is most greatly comparable to the

employees' saving funds about which I shall tell you later.

"Among the other companies having the ordinary stock purchasing where the stock is sold on easy installments below market price and where the dividends are applied to the outstanding debt as payment are the Youngstown Sheet and Tube Company of Ohio, the National Carbon Company of Cleveland, the National Biscuit Company, and several of the Telephone Companies. There are others, besides."

Struthers paused to fill his pipe. After lighting it and taking a few puffs he went on.

"So much for profit-sharing via the stock-purchasing plan. In trying to come closer to their employees by interesting them in the production of the plant through a definite share in profits, some of the owners and directors of industry have introduced bonus plans. A number of these take the form of presentation of stock. Others are cash bonuses given at the end of the year after dividends have been paid on the stock of the company. All of these bonus plans, or rather let me say, the vast majority of them, are based on a sliding scale in which length of service and annual wage are the factors taken into consideration.

STOCK PRESENTATION

"The Dennison Manufacturing Company at Framingham, Massachusetts, is representative of the first

type of bonus plan. Every year after the dividends on the first and second preferred shares of stock have been paid, the remaining profits are divided among the principal employees of the company in the form of shares of industrial partnership stock. These are apportioned in proportion to the amount of actual salary received. The industrial partnership stock has a par value of \$10 per share. It carries with it a cash dividend and is further valuable in that it carries with it the privilege of voting powers in the stockholders' meetings. Every parcel of ten shares is worth one vote.

"There is a very interesting phase to the plan in this company which has a direct bearing on the question of giving employees a voice in the running of industry. We'll discuss that question in greater detail some other time, but while we are on this subject of stock presentation we'll take up this individual instance. The amount of industrial partnership stock held by this company is valued at \$1,050,000. According to the plan drawn up by the company, when the industrial stock issued shall have reached the one hundred thousand point, that is, when the employees of the company will be holding shares valued in the mass at \$1,000,000, the entire voting power of the stockholders of all classes, meaning first preferred stock, second preferred stock and industrial partnership stock, will be vested in the holders of the industrial partnership stock. Until they fail materially in the

obligations to the preferred stockholders, they will keep this power. An indication of their failure will be a decrease in profits. In case only one-half the regular dividend is paid to the holders of the first preferred stock the first year, or only three-quarters the second year, the stockholders of the first preferred are to regain their vote in the meetings. If the industrial partnership stockholders are at all in arrears in preferred profits at the end of four years, they lose their vote for all time.

"This ought to turn out to be an interesting experiment when the value of industrial partnership stock held by the employees reaches the million-dollar mark.

"The John B. Stetson Company of Philadelphia, hat manufacturers, is another firm which gives its employees yearly bonuses in the form of shares of stock.

CASH BONUSES

"The more popular form of the bonus system, however, is the cash payment plan. This has been adopted by a large number of industrial organizations. There are one or two differences in these plans which it may be interesting to know. Some of the plants have a bonus system the rates of which fluctuate as the profits of the company do. That is, the employee cannot count on any definite cash bonus at the end of the year. If the company has had a good year, the bonus rate is high; if the company has had a poor year,

the rate is low. From the standpoint of logic that sounds like a very sane sort of an arrangement. It seems fair that the employee should share in the profit of the company only to the extent that there are profits. But there is this to be taken into consideration. The worker in seeking employment in a company which holds out to him its bonus plan as an attraction feels that he is cheated when that plan offers him little above the wages for which he works. Just as long as he is in no way represented on the board which determines the profits of the company, that feeling of being cheated will exist.

"Not so long ago I had occasion to speak to the late H. B. Endicott of the Endicott-Johnson Company. During the war, Mr. Endicott was appointed strike mediator by the executive of his state. It was said about him that he averted between two hundred and three hundred strikes. In speaking about this type of flexible bonus system, he declared that time and again, in speaking to the representatives of the workers in various industries, they asked him to eliminate the bonus system. Time and again, that was one of the points upon which the men threatened to strike. And, in the same manner, time and again the elimination of the system was one of the points that brought the men back to their machines.

"The trouble with this system is this: In its inception it was an honest, praiseworthy effort to reward the employee for the good service which served to swell

the profits of the company. So far, so good. With years, however, the underlying purpose of the bonus plan was forgotten, and some of the men who adopted it, did so through no other desire than to attract workers by the lure of additional remuneration after the close of the year. Very often the wages and the working conditions were very much below the standard. But the bait of the bonus was held out and the workman bit. If a man worked a full year, his bonus was given him; if he either was discharged or left of his own volition, the bonus was forfeited. That was one cause for dissatisfaction. Very often the bonus did not come up to his expectations. That was another cause for dissatisfaction. The men felt that advantage was being taken of them. It was in instances of this nature, that the inherent viciousness of a bonus system of this sort was discovered.

“Let me give you an example of the flexible bonus plan. The Cleveland Twist Drill Company is representative. There are scores of others but this will do as well as any. After providing for the eight per cent. dividend on its stock, all cash dividends subsequently declared during the year are divided between the stockholders and the employees. All employees who have been with the company for two years or more receive dividends on their annual wages at the same rate as the stockholders. Those who have been with the company for less than two years but more than one, receive three-quarters of that rate.

Employees who have been with the company for less than one year, get one-half of the dividend rate. The percentage, whatever it is, is taken on the amount of salary or wages earned by the employees during the twelve months preceding June 30th of the year.

"Very often it may happen that this form of the bonus plan may give the participants a greater share in the profits than in a fixed system, but the fact remains that it is open to fluctuation from year to year. As far as the employee is concerned, that fluctuation is arbitrary and is no small cause for dissatisfaction and unrest.

"A good many of the steel companies have bonus plans similar to this; others have plans where special workers are rewarded. You can easily see the dangers of such a system. It is always open to partiality and injustice and results in discord.

"There is, however, a second type of bonus system which is as fixed as the laws of the Medes and Persians. This is truly valuable in that the employee knows for certain just what bonus or dividend he may expect, this depending upon his length of service and his salary or wage. Of course, you may say, that it is not in reality what it pretends to be—a profit-sharing plan—and give as your reason that the employee should not be expected to get an additional profit on his service if the company cannot show an additional profit on its sales. That is a very good point; the ideal situation would perhaps be the one where the

ask? I put that question to Mr. Endicott and his reply was that of a sensible business man. The superintendent, he said, gets enough money to make the additional bonus unnecessary to him; it is in its origin not intended for him. It means something very valuable to the office boy, however. In the long run the superintendent profits by its distribution by virtue of the spirit of satisfaction with working conditions that is created by it.

“Whether that system will work or not, time will show. It was introduced for the first time last year.

SAVINGS FUNDS

“There is still another phase of profit-sharing work. This is different both from the stock-purchasing plans and the bonus plans. It is commonly known as the company savings fund. Under this system, the company maintains a savings bank for its employees. For every dollar that the employee saves, the company makes an additional contribution. In some instances, this contribution is equal to fifty to one hundred per cent. of the employee's; in others the company's contribution is fixed by a certain and definite percentage of its profits. The Metropolitan Life Insurance Company and S. W. Straus & Company are representative of the first plan; Sears, Roebuck & Company is representative of the second.

“The plan of the Metropolitan Company allows any

employee who has been with them for at least a year and earning less than three thousand dollars a year to become a depositor. For every dollar that the employee deposits, the company adds fifty cents. No man or woman is allowed to deposit more than five per cent. of his or her salary during any one year. Besides the contribution of the company, interest is paid at three per cent. This is increased by the money forfeited by employees who cease to be members of the savings fund. The membership rule calls for twenty years of continuous service before the employee can withdraw his savings plus the company's contributions from the fund. You can readily see the purpose of this. The company, and with due reason, does not feel bound to add to the savings of any of the men who do not intend to give the best years of their service toward the growth of the organization. There are, of course, several exceptions to this rule, such as death, disability, or marriage on the part of a woman employee. In these events, the employees or the estate get the full advantage of the savings arrangement. If an employee ceases to be a member of the savings fund, he receives all the payments that he made plus compound interest on the same, at the rate of three per cent. A percentage of the contributions toward this man's fund made by the company is applied as additional interest to the deposits of the rest of the members.

"This percentage is controlled by the number of

years of membership in the fund of the withdrawing depositor. For instance, when a man has been a member for only one year before he leaves the employ of the company, the fund receives fifty per cent. of the company's contributions. The remainder of the money reverts to the company coffers. If he has been a member for more than two years, the fund retains amounts ranging from sixty per cent. to one hundred, according to the number of years of membership. Let me give you a concrete example. John Smith has been a member of the staff savings fund for a little more than two years, during which time he has saved four hundred dollars. To that four hundred dollars, the company has added from time to time, as he made his payments, fifty per cent. contributions amounting to two hundred dollars. When John Smith ceases to be a member of the fund, he withdraws his four hundred dollars plus the compound interest thereon at three per cent. The two hundred dollars contributed by the company is divided between the fund and the company, the former getting sixty per cent. or one hundred and twenty dollars, and the latter eighty dollars. The one hundred and twenty dollars thus acquired by the fund is divided among the remaining members of the savings organization in the form of additional interest on their deposits.

"You can readily understand what an incentive to thrift and permanency of employment this form of

profit-sharing must be. The S. W. Straus & Company recently inaugurated a similar profit-sharing plan for its employees. This, in addition to the generous cash bonus plan under which yearly bonuses are given, ranging from two to ten per cent. of the annual salary, according to length of service.

"Under the savings system of this organization, the company contributes a minimum of one hundred per cent. to every deposit made by the employee. This minimum is increased as the profits of the company increase.

"The plan of Sears, Roebuck & Company differs from these two in that the contributions of the company are in no way fixed by a definite sum but by a percentage of the company's profits. The company pledges itself to contribute to the fund each year a sum equal to five per cent. of its net earnings without deduction of dividends to stockholders. Participation in this fund is open to every employee after he has finished three years of service. In order to reap the full advantage of the plan, he must continue a member of the savings fund for a period of at least ten years. This line is waived in the case of women employees who marry. They may withdraw their savings and the accrued profits thereon after a membership of five years.

"No employee may contribute more than five per cent. of his salary and in no case more than one hundred and fifty dollars a year. This limit was deemed

advisable so that the higher salaried employees might not too greatly participate in the fund.

"The entire fund including the employee's savings and the company's contributions are invested in the company's stock with the end in view of making the employees powerful shareholders in the organization. When an employee who withdraws his savings is entitled to the full credits of membership, he either gets his share in the holdings in cash or in stock.

"The figures presented by this company tend to prove that their contributions to the fund are at least three times the amount invested by the employee.

"During the year 1916, the company contributed \$3.09 for every dollar saved by an employee; in 1917, \$3.02; and in 1918, \$3.26. Assuming that the profits continue as they have, during the last few years, it has been estimated that a man, for instance, making on an average of twenty-five dollars a week and belonging to the savings fund for ten years, let us say, during which time he has deposited \$617.50, will at the end of the period be entitled to accumulated savings of \$4,414.25. The end of twenty years' savings with aggregated deposits of \$1,267.50 on the part of the employee will entitle him to a sum of \$19,044.26.

"During the first period of two and a half years in which the plan was in force, the employees' deposits amounted to \$656,229, while the company's contribution of five per cent. of its profits equaled \$2,355,824."

Struthers paused and looked at Hardwick quizzically. Hardwick returned his gaze.

"Think of it, Hardwick, will you? More than two million dollars contributed out of the earnings of the company and it has been found to pay. It has been found to pay wherever it has been adopted.

"The Clipper Belt Lacer Company some time ago tabulated the advantages growing out of the profit-sharing plan inaugurated by them. First of all, their yearly output was nearly doubled with the addition of only a few more employees; second, the cost of their article of production was reduced nine cents in spite of an increased wage of twenty cents; third, the average gain to the operative was nineteen per cent. on his wages and the average gain to the company was nine per cent. Surely you want no more telling facts than these. The situation in all other plants which have adopted some form of profit-sharing is similar. It has been found to pay. In spite of every indication to the contrary. In spite of the paradox it entails. Profit-sharing in these plants has not meant division of stationary profits but sharing in the increase of growing profits due to greater coöperation among the men and the management and deeper interest in the output of the plant."

Again Struthers paused to light his pipe.

"There is just one more form of profit-sharing that it may be well to mention. That is the plan employed

by Henry Ford. With him it is a matter of classification of the abilities of the workman and paying the man an increased wage just as soon as he shows he is fit for promotion from one class to another. The essence of profit-sharing is retained inasmuch as increased production on the part of the employee is immediately rewarded by increased pay. For instance, mechanics are divided into three classes: Class one, good; class two, fair, and class three, medium. Just as soon as a man with the rating of number three shows that he is ready to go into the number two class, he is promoted and his wages increased. In no case is the wage less than eight dollars a day for an adult worker.

“Personally, however, I believe that the other profit-sharing plans where the employee, besides getting a fair wage, gets into closer touch with the work of the company by being interested in the annual output and profits, is the more valuable. Only remember this always—in order to have the plan hold water—start with good working conditions and good wages. Make it in truth a profit-sharing plan and not a wage-skinning plan. Don’t be a sanctimonious sinner by cutting a slice from off the wages due to the men and then presenting it to them at the close of the year in the form of sharing in the company’s profits. It won’t work. It has been tried and has failed miserably in every attempt. In order to have this thing be of any value, you’ve got to be honest in your intent.”

CHAPTER TEN

INDUSTRIAL REPRESENTATION

As Struthers passed into Hardwick's office, he met Hurley going out. The two men nodded to each other in friendly greeting. Just as he was about to walk into the inner room, Struthers paused and called out to Hurley.

"Oh, Hurley."

The man turned.

"Tell the missus," Struthers said, "that I won't be home to dinner to-night. I am going over to Mr. Hardwick's place."

"All right, sir," Hurley replied, then added as an afterthought: "I knew you weren't coming home to-night. Mr. Hardwick told me. So long. See you to-morrow."

The man was gone. Struthers walked into the office and found Hardwick ready for him. The two men got into the car that was waiting for them and were off. Hardwick was silent on the way home. Struthers did nothing to interrupt the man's train of thoughts. Just once Hardwick half ejaculated and half ruminated aloud, "I think Hurley is right about that."

Thinking that the statement had been addressed to him, Struthers turned quickly to the man beside him with the question:

"Hurley's right about what?"

Hardwick grew confused.

"Nothing," he replied with a smile. "Guess I was just thinking aloud." For a moment he seemed to be considering the wisdom of saying anything further, then he broke in with the words: "I'm working on a pension plan. Got Hurley to come in and have a look-in on it. He knows the men and conditions of the place better than I do. Thought I'd work it out with him before I showed it to you. I'll have a rough draft of it in a couple of days. I'll show it to you then."

Once more he subsided into silence. Struthers made no answer as the car moved noiselessly on.

The conversation at the dinner table played about subjects apart from the plant. Both men were keeping their minds open for the talk they knew would come later in the evening. At last they were seated together in their wonted positions before the fire. They smoked for a while in silence. The sudden crackle of a log seemed to wake them. Struthers broke the silence.

"You find Hurley helpful, do you, in working out some of these plans of yours?" he asked.

Hardwick bit on his cigar before he answered.

"Uh, huh," he finally grunted in reply. "Sometimes

helpful and sometimes as stubborn as a mule. But we usually manage to work something between us." He puffed on his cigar for a moment longer, then continued. "But don't let's waste any time on that now. The pension scheme will be worked out all right. You had something new to talk about to-night, didn't you?"

Struthers grinned in response.

"I did," he said. "I was getting around to it, via Hurley. Hardwick," he said, growing serious, "what do you think of shop committees and industrial councils and representation plans? You have heard about them, haven't you? How do they strike you?"

"They don't strike me at all," was the laconic reply. "I confess I don't know much about them, but the underlying idea, that of giving the worker a voice in the management of the organization, doesn't appeal to me." Hardwick's voice grew more serious. "What the merry blazes does he know about the management of a plant? And why the merry blazes should he have a voice in the management in something about which he knows nothing? Answer me that, will you?"

"I will," Struthers replied. "He probably knows very little about the management of a plant from the standpoint of management as you conceive it. I mean costs and sales, and productions and turnovers and things of that sort. But, Hardwick, the word management of a plant includes a great many other things. A knowledge of costs and sales alone does

not make a plant. There are other things to be considered; things with which the worker is as closely concerned as you; things like wages and hours and sanitation and health measures and pension plans and disability annuities and housing. I could go on for several minutes longer if I wanted to enumerate them all. It is these things in which the worker is vitally interested. And it is in the management of these that he wants a voice. Things that are of mutual interest to you and to him. Things that will make for the better understanding and greater coöperation between you and him."

Hardwick snorted.

"Just a minute, Struthers," he said. "All along you have been talking about the improvements which were necessary in a plant in order that the worker may feel that he is treated as a human being and not as a cog in a machine. Very good. I grant you the necessity of that. Now suppose an owner of a plant, anxious to do the best by his employees and equally anxious for success, inaugurates all these plans about which you have from time to time spoken. Suppose he makes the working environments as ideal as is possible, suppose he gives his superannuated employees pensions and sick benefits, suppose he builds homes for them and helps educate them, suppose he does everything within his power and his knowledge to make their lives happy, will you tell me what the Sam Hill the worker wants with a representation

council? To discuss things of mutual benefit you say. But the things of mutual benefit have been discussed in the mind of the employer and answered in favor of the employee. Why discuss pensions when pensions are given? Why discuss housing when homes have been built? Why discuss wages when they are on a par with the highest in this special line of work? Why discuss health measures when all efforts have been directed to making the community a healthy one? I am not speaking of myself, you understand. I am merely taking a hypothetical case. You take the point of view that all these progressive measures about which you have spoken tend toward greater understanding between the two factors in industry. Well then, if all these measures have been adopted, what need have you for this last one you are mentioning? What need have you of giving the employee a voice in something that has been settled?"

Struthers lit his pipe before he answered. When he did there was an odd twinkle in his eye.

"Why did you call Hurley in to talk about the pension plan, Hardwick? Answer me that. Never mind, you needn't. I'll answer it for you. Because you wanted to get his point of view, or rather you wanted to get the point of view of the men he represents. You could have mapped out a plan yourself, or you could have called me in to help you. But you didn't. You turned to one of the men in the shops because you felt that there you could fathom the real

meaning of what a pension plan ought to be. You felt that Hurley could gauge the conditions and effects of such a plan better than you could. Didn't you? Well, we'll let that question go. You needn't answer it. I am taking an unfair advantage by coming down to personalities and personal instances. Yet, it was necessary to show you concretely the real value of such plans as applied to your own work.

"Now to come to the real issue. You ask what is the use of creating industrial councils or shop committees when you have done everything possible for the well-being of your workers. The use lies here, Hardwick. The movement all along the line is to get away from the idea that the worker is a cog in a machine, to remember that he is a human being. You recognize the truth of this idea when you begin planning things for his health and happiness. You recognize it to a greater degree when you begin taking him into partial partnership by giving him some share in the profits of the company. What you are unconsciously driving at all along is to make him interested in the plant; to make him a vital factor in its success. All these things that I have mentioned, all these reforms that I have suggested, will do it up to a certain point, but in order to get the full measure of his latent powers and, in some cases, his awakened powers, you must go the whole way. You must take him into your confidence when matters pertaining to his welfare come up. You must give him a chance to express

himself on subjects that are close to his interest.

"Inaugurating reforms of the kind that I have mentioned are vitally essential. They pave the way for the closer harmony between the men and the management. The men feel that there is honest effort being directed toward giving them a square deal, if you want to call it such. But, you let the thing continue in this manner, letting all reforms come from the top down and you stifle the very breath of the impulse that started the movement. You stifle progress.

"All paternalistic movements are deadening in their effects. They are inspired by good motives and their immediate results may tend to create a state of contentment but the indirect results, when truthfully gauged, counterbalance the good that they do. Success in an industry or in a plant means initiative and individuality in a plant. You have one thousand workers in your organization. Surely you will grant that among those there is a small percentage of brains and power. Take the case of Larry and Hurley. They are only two but they are the only two in whom you have at all taken an interest. Create the medium, however, where all the brains and all the power of the plant may make itself felt in a central council and you create something that will be directed to growth and progress. Fail to create that medium and that power will die or, in those instances where it is so forceful that it will not be stifled, it will either seek new channels for its healthy expression or viciously

express itself by festering in the old environment and creating sickness and disease in your organization.

"It is not so much," Struthers continued, "that the demands of the workers have grown, but that the size of organizations has grown. Sixty years ago there was no need for an industrial council. Why? Because we had nothing like the mighty giants of plants that we have to-day. A man worked with a number of workers and apprentices whom he knew by their first names. They were always in warm contact with him. He was not removed from them by so many foremen and superintendents and managers. He himself supervised the work they did. He was one of them. The men felt they could appeal directly to him. Another thing, and this is purely psychological. Yet it has its bearings on the subject. The work was not as finely divided into monotonous operations as it is to-day. A man started work on the article of production and he finished the work on that article. He built a complete thing. He had pride of workmanship in it. He gained the same sort of satisfaction from it that an artist gains in working on a painting. It was his—his own. All his thoughts and efforts were directed toward its perfection.

"What have we to-day, however? A man starts drilling holes in the morning and he keeps on drilling holes until he knocks off work at night. And he keeps on drilling holes the next morning and the morning after that for weeks, for months, for years, until the

day of his death. And the longer he drills the more mechanical the motion becomes, and the more mechanical it becomes the more monotonous it grows. In order to keep awake while working, his mind begins to function. Sometimes it functions reasonably and sensibly; sometimes it doesn't. Sometimes, one of his fellow workers, a man who has done a bit of hit-and-miss reading, makes it function for him. And it begins to wander and he begins to wonder and draw conclusions which may be wrong and inaccurate. He figures out the number of holes he drills, the wages he earns for drilling them and then makes a wide leap to the price his employer gets for the finished article. You see where that leads, don't you? You see the wide divergence between costs and profits that presents itself to his mind as a result of that isolated thinking.

"And the only conclusion he reaches, if there is the least bit of revolutionary spirit within him, is that the profits of his employer should be cut. That is the only way in which the arrangement can be made honest, according to him. What does he do then? He demands shorter hours and larger wages. He refuses to see the lack of logic in such a demand. All along, you see, he has been left in the dark as to the real factors that enter into the production and sale of the material and it is little wonder that his solution is that of a man who has gathered his facts in the dark. A blind man might with equal reason in-

sist that the only difference between day and night is that we are awake in the daytime and asleep at night. As far as he is concerned that conclusion is true. The light of the sun means nothing to him. In the same manner, production costs, shipping costs, overhead costs mean nothing to the worker when he lays down his demands. They have been kept from him and, as far as he is concerned, they do not exist.

“Take the individual instance of wages. During the war they soared way above the normal. The nearer we come to settled pre-war peace basis, the more necessary it may become to cut those wages, in order that the industry of the country may live. You, as an employer, make an arbitrary cut in these wages and immediately you arouse the antagonism of the men in your plants. They reason that if it was profitable for you to pay them increased prices during the war times, it is just as profitable for you to pay them increased prices to-day. The economic factors that enter into the computation mean nothing to them. To them the whole thing appears in the light of cruel exploitation due to increased supply of labor. I will admit that in a few instances they may be correct but they reason in that manner for all instances.

“What are you going to do in a situation like this? Merely this. Allow your men to have a voice in the councils of your management. Allow them to make themselves familiar with the things that enter into the production of the plant; allow them to present

their own demands and their own needs. By very virtue of the fact that they know the things against which you have to contend, those demands will, of necessity, be reasonable. They will, of necessity, come within the limits of your powers. And if they do not, mark me, even if they do not, you have the opportunity of explaining to them, as one man to another, why you cannot meet them; why it is impossible for you to meet them; why the welfare of the plant which means their welfare, as well as yours, depends on a continuation of the conditions obtaining at the time. Of course, you may object to making explanation where in the past you issued mandates, but, Hardwick, the time for issuing arbitrary judgments is passed. Adverse arbitrary judgment only serves to bring out the ire in those against whom they are made and there is nothing as destructively vicious as the feeling of hatred and injustice on the part of those who are in no position to make an immediate counter-attack. The resentment of those who are forcibly humbled can grow into a most venomous factor of destruction.

"The industrial councils, on the other hand, are the greatest factors for the healthy, constructive growth of an organization. Through the representatives chosen by the men, you get an expression of the best brains and power in the organization. The men naturally choose as their representatives, those who can best express and interpret their demands. In not a few instances, those are the very men who

under less favorable conditions would use their interpretive powers destructively.

"What's more, you create a clearing house for initiative and inventiveness. Assured of a dignified hearing and knowing the conditions that enter into the production of the articles they manufacture, the men will, in an endeavor to improve operations and eliminate unnecessary movements, direct their efforts to the best advantages of the plant. Knowing that wages and hours depend upon production, they will be impelled to increase production. Knowing that profits, which includes their share, depend upon the type of production, they will improve the product. There is everything to gain in an arrangement of this sort and nothing to lose, provided, of course, that you are playing the game squarely and are not demanding as your share of the profits more than you should reasonably expect.

"This movement is perhaps the newest and the youngest of industrial reforms. It has been adopted by a comparatively small number of organizations. Nevertheless, it is the only solution to the labor problem. Not until both elements in the game are cognizant of and appreciative of each other's rights and demands will we get anything like the vast richness of industry of which we are capable.

"Different organizations," continued Struthers, "have adopted different forms of representation. This representation may consist in the calling of shop

conferences such as have been adopted by the Sewell-Clapp Company of Chicago, which employs only about 300 men, for instance, or it may take the form of a well-organized, detailed plan of representation such as has been adopted by the International Harvester Company, whose employees are numbered in the thousands, but the underlying principle to both is the same—that of giving the employee a voice and vote in the running of the plant.

“The plan of the International Harvester Company voted upon by 30,000 employees early in March of last year is one of the most comprehensive thus far formulated. It starts out with an explanation for its being, addressed to the employees. This is what it says.” Struthers took out a sheaf of papers, chose one of them, and read:

“The Directors and officers of the company have for some time been working out a plan to establish closer relations between the employees and the management. To this end they now offer the following Harvester Industrial Council Plan for the consideration of the employees, hoping that it may meet with their approval.

“The plan provides for a “Works Council” in which representatives elected by the employees shall have equal voice and vote with the management in the consideration of matters of mutual interest.

“It guarantees to every employee the right to present any suggestion, request, or complaint and to

have it promptly considered and fairly decided. Provision is also made for impartial arbitration.'

"The plan was voted upon in March, 1919, and adopted. Its constitution or draft is composed of twenty articles. The first article sets forth the doctrine of equal representation in the consideration of all questions of policy relating to working conditions, health, safety, hours of labor, wages, recreation, education, and other similar matters of mutual interest. The second, third, fourth and fifth articles deal with the plan of organization of the Works Council. I'll read you that if you're interested."

Hardwick nodded.

Struthers read: "As the principal means of carrying this plan into effect, there shall be organized at each works adopting this plan a Works Council, composed of representatives of the employees and representatives of the management. The employee representatives shall be elected by the employees. The management representatives shall be appointed by the management, and shall not exceed the employee representatives in number. Both shall at all times have an equal voice and voting power in considering matters coming before the council.

"Through these councils any employee or group of employees of the management may at any time present suggestions, requests, and complaints with the certainty of a full and fair hearing. Matters which cannot thus be disposed of may, by mutual consent,

be submitted to impartial arbitration, as hereinafter provided.

“To aid in carrying out this plan, the company has established a department of industrial relations, which is charged with the duty of giving special attention to all matters pertaining to labor policies and the well-being of the employees.

“The basis of representation shall generally be one employee representative for each 200 or 300 employees, but in no case shall there be less than five employee representatives in the Works Council.

“To be eligible for nomination as employee representative from any voting division, the employee must be employed therein. Foremen, assistant foremen, and other employees having the power of employment or discharge shall not be eligible for nomination. Only employees who are citizens of the United States, twenty-one years old or over, and who have been continuously in the works' service for one year immediately prior to nomination, as shown on the records of the employment department, shall be eligible for nomination as employee representatives.’

“The next section of the draft,” Struthers went on, “deals with the methods of nomination and election of the works' representatives. The men first hold a nomination meeting and then vote by secret ballot on the two names receiving the highest number of votes. The man receiving the greater number of votes is elected representative.

"Upon the election of the employee representatives, the management announces the appointment of the management representatives, whose number is in no case to exceed the number of elected employee representatives.

"The Manager of the Department of Industrial Relations or some one designated by him, shall act as Chairman of the Works Council,' " Struthers continued, reading. "A secretary shall be appointed by the Superintendent of the Works. Neither the Chairman nor Secretary shall have a vote.

"A majority of the employee representatives, together with a majority of the management representatives, shall constitute a quorum, and no business shall be transacted at any meeting where less than a quorum is present.

"The Works Council may appoint such sub-committees as it deems desirable for efficient conduct of its business. On all such sub-committees both the employees and the management shall be represented, and each group of representatives shall have equal voting power.

"The Works Council shall hold regular monthly meetings at times fixed by the Council. The Works Council may prepare and distribute to the employees reports of its proceedings, and the expense thereof shall be borne by the company.'

"The duties and powers of the Works Council," continued Struthers, "are outlined in the following:

“The Works Council may consider and make recommendations on all questions relating to working conditions, protection of health, safety, wages, hours of labor, recreation, education, and other similar matters of mutual interest to the employees and the management. It shall afford full opportunity for the presentation and discussion of these matters.

“The Works Council may on its own motion investigate matters of mutual interest and make recommendations thereon to the Works Management; and the management also may refer matters to the Works Council for investigation and report.

“The Works Council may confer with the Superintendent or other person designated by him in regard to all matters of mutual interest, and shall receive from the management regular reports in regard to accident prevention, sanitation, restaurants, medical service, employment, educational programs and recreational activities, including information as to the cost, efficiency and results obtained.

“The Works Council shall be concerned solely with shaping the policies of the company relating to the matters heretofore mentioned. When the policy of the company as to any of these matters has been settled, its execution shall remain with the management, but the manner of that execution may, at any time, be a subject for consideration of the Works Council.

“Any employee or group of employees thus refer-

ring a matter to the Works Council shall have an opportunity to appear before it and present the case. Any such group of employees shall select not more than three spokesmen from their own number to appear before the council.

“The Works Council may call any employee before it to give information regarding any matter under consideration. The Works Council, or any sub-committees appointed by it for that purpose, may go in a body to any part of the plant to make investigations.

“After complete investigation and full discussion of any matter under consideration by the Works Council, the Chairman shall call for a vote, which shall be secret, unless otherwise ordered by the council. The employee representatives and the management representatives shall vote separately. The vote of a majority of the employee representatives shall be taken as the vote of all, and recorded as their unit vote. Similarly, the vote of a majority of the management representatives shall be taken as the vote of all and recorded as their unit vote.

“Both the employee representatives and the management representatives shall have the right to withdraw temporarily from any meeting of the Works Council for private discussion of any matter under consideration.

“When the Works Council reaches an agreement on any matter, its recommendation shall be referred to the Superintendent for execution, except that if the

Superintendent considers it of such importance as to require the attention of the general officers, he shall immediately refer it to the President of the International Harvester Company, who may either approve the recommendation of the Works Council and order its immediate execution by the Superintendent or proceed with further consideration of the matter.

“In case of a tie vote in the Works Council, it shall be in order to reopen the discussion, to offer a substitute or compromise recommendation, on which the votes shall be taken in the same manner as above provided.

“The President, or his specially appointed representative, may confer with the Works Council as a whole, or any sub-committee thereof, or any group of employee representatives, at such time and place and in such manner as in his opinion will best serve to bring out all the facts of the case.

“Within ten days after the matter has been referred to him, the President shall either (a) propose a settlement thereof; or (b) refer the matter directly to a General Council.

“If the settlement proposed by the President is not satisfactory to a majority of the employee representatives, and if after a further period of five days no agreement has been reached, then the President may, if he deems it advisable, refer the matter to a General Council.

“If the President decides not to refer the matter

to a General Council, or if the vote of the General Council is a tie, then the matter may, by mutual agreement of the President and a majority of the employee representatives, be submitted to arbitration.

“The General Council shall be formed in the following manner: The President shall issue a notice designating the several works which he deems jointly interested. Thereupon the employee representatives in the Works Council at each of the works designated shall select two or more of their own number to act as members of the General Council. There shall be one such member of the General Council for each 1,000 employees or major fraction thereof, except that no works shall have less than two representatives in the General Council.

“The management representatives in the General Council shall be appointed by the President and shall not exceed the number of employee representatives.

“The President or some person designated by him shall act as Chairman of the General Council, without vote.

“The first meeting of the General Council shall be held within ten days after the President's notice calling such council.

“The General Council shall, when necessary, take recesses in order to allow employee representatives therein to confer with other members of their Works Councils. For this purpose special meetings of the Works Councils as a whole, or of the employee rep-

representative alone, shall (at the request of the employee representative serving on the General Council) be convened at the respective works, and full opportunity shall be given for conference and discussion with such representatives regarding their attitude and action on the pending matter.

“If the General Council is unable to reach an agreement as to any matter, it may, by mutual agreement of a majority of both the employee representatives and the management representatives, be submitted to arbitration.

“Whenever the President and a majority of the employee representatives in the General Council, or the Works Council, as the case may be, have mutually agreed to submit a matter to arbitration, they shall proceed to select an impartial and disinterested arbitrator. If they cannot agree upon an arbitrator, then the employee representatives shall choose one such arbitrator and the President shall choose another, and if these two agree, their decision shall be final. If they do not agree, then they shall select and call in a third arbitrator, and a decision of a majority of these three shall be final.

“The arbitrator or arbitrators shall be furnished all the information and testimony they deem necessary regarding the matter in arbitration. All decisions of any General Council or of any arbitrator or arbitrators shall be binding upon all the works originally designated by the President as being jointly

interested. Any such decision may be made retroactive.

“Every representative serving on any Works or General Council shall be wholly free in the performance of his duties as such, and shall not be discriminated against on account of any action taken by him in good faith in his representative capacity. To guarantee to each representative his independence, he shall have the right to appeal directly to the President for relief from any alleged discrimination against him, and if the decision of the President is not satisfactory to him, then to have the question settled by an arbitrator selected by mutual agreement.

“There shall be no discrimination under this plan against any employee because of race, sex, political or religious affiliation or membership in any labor or other organization.

“Decisions affecting wages made by any Works Council or General Council or by arbitration shall be subject to revision whenever changed conditions justify, but not oftener than at intervals of six months.’”

Struthers lifted his eyes from the sheet.

“What do you say to that as an outline of a plan to inaugurate democracy in industry?”

“A later employee’s representation plan is the one adopted by the E. I. du Pont de Nemours Company Dye Works. These works constitute the largest group of dye factories in the country. They adopted what

they call the Employees' Conference Plan in July 1919. For the purpose of representation, the Works were divided into eleven departments. These are the Service Department, the Mechanical Department, the Power Department, the Chemical Department, the Camphor and Oil Department, the Indigo Department, the Intermediate Department, the Color Department, the Finishing Department, the Engineering Department and the Jackson Laboratory. Each department has its own Department Employees' Conference consisting of at least two men elected by the employees and an equal number of men appointed by the management. The men's representatives are elected on the basis of one man for every one hundred and fifty employees. Each Department Employees' Conference meets once a month.

"Besides being members of the Department Employees' Conference, the representatives of both the employees and the Management belong to the bigger council known as the Works Employees' Conference. This consists of forty-four representatives, twenty-two of them coming from the departments and twenty-two of them appointed by the management. The purpose of the Works Employees' Conference as you can readily understand is to take up matters of importance to the plants as a whole. They proceed in this way.

"Any question which concerns the relationship between the employees and the Management must first

be referred to the line foreman, excepting questions which may arise in which the interests of employees of more than one Department are involved. These questions may be submitted through the Plant Manager directly to the Works Employees' Conference. Failing to receive a satisfactory decision from the line foreman, the question referred to him may be submitted to a Department Representative. The Representative has the question put in writing and submits it to his Department Employees' Conference. The Department Employees' Conference may call in witnesses or appoint a joint committee to investigate the question. If this Conference decides unanimously, the question is settled; if the Conference disagrees, the question is referred to the Superintendent of the Department. If the Superintendent supports the contention of the employee, the question is settled; if he does not support the employee's contention, he must put his reasons in writing and send them to the Department Employees' Conference. The Department Employees' Conference then reconsiders the question, in the light of the Superintendent's recommendation. If the Department Employees' Conference is still unable to reach a unanimous decision, the matter is referred to the Works Employees' Conference.

"The Works Employees' Conference may also call in any witnesses it requires, or may appoint a special joint committee to investigate. The Works Employees' Conference can settle the question by vote of two-

thirds of the Representatives present at such meeting for or against any proposition involved therein, but if it is unable to reach a decision, the question shall be referred to the Manager of the plant. If the Manager supports the contention of the employee, the question is settled. If the Manager does not support the employee's contention, he must put his reasons in writing and send them to the Works Employees' Conference. The Works Employees' Conference then reconsiders the case. If the Works Employees' Conference is still unable to reach a decision by a two-thirds vote, the question is referred with all the evidence, reports, and minutes of all meetings on the subject, to the President of the Company, whose decision is final in all cases. The President will report his decision and the reasons therefor to the Works Employees' Conference.

"Whenever any question arises in which the interests of employees of more than one Department are involved, it may be submitted, through the Plant Manager, directly to the Works Employees' Conference, which shall consider and vote upon such question at any regular meeting or at any special meeting called for the purpose of consideration thereof. The vote of two-thirds of the Representatives present at such meeting for or against any proposition submitted thereat shall be required for determination thereof. If the Works Employees' Conference is unable to reach a decision by such two-thirds vote, the question shall

thereupon be referred with all records relating to the subject to the President of the Company, whose decision with respect thereto shall be final, and the President shall promptly report his decision and the reasons therefor to the Works Employees' Conference.

"The minutes of all meetings and records of all investigations are open to the inspection of any employee at the Dye Works.

"An employee in order to be eligible to election as an Employees' Representative must have been in the employ of the Company for at least one year directly previous to his nomination. He must be a citizen of the United States, or have taken out his first naturalization papers. He must be at least twenty-one years of age, and be able to read and write the English language.

"A majority of the total membership of a Conference constitutes a quorum, but in no case shall the number of Management's Representatives exceed the number of Employees' Representatives at any meeting.

"Both these plans are of such recent adoption that it is difficult to tell at the present moment how they will work out. They have the elements of valuable representation; whether these elements will function properly remains to be seen.

"The Standard Oil Company of New Jersey, however, has an industrial representation plan which has been in force longer than either of these, having been

adopted in March, 1918. At that time a call was issued to the men in the Bayonne Shops to elect representatives to an industrial council on the basis of one man for every one hundred and fifty employees. In no case, however, was any division of the works represented by less than two men. The workers were grouped into fourteen divisions in a manner similar to the one adopted by the du Pont people. They included divisions of the boilermakers, the blacksmiths, the carpenters, the painters, the masons, the pipefitters, the watchmen, the common laborers, the hoisting engineers, the tinsmiths and all the other branches of work that enter into the industry. There were thirty-seven representatives in all, voted for by secret ballot. These met at the offices of the company on April 1st. At this conference between the management and the employees' representatives, plans were immediately formulated bearing upon pensions, hours of labor, sickness and accident benefits and group insurance. The most important constructive measure that grew out of this conference was the organization of a works employment department. A definite series of rules were laid down which insured to the employee fair treatment at the hands of his superiors. It gave him the right of appeal to the industrial conference through his representative in case he was discharged without due cause. This right of appeal also held in all other matters pertaining to the relationship between the employee and his foreman or superinten-

dent. The right of appeal was worded as follows:” Struthers read from a sheet of paper he had removed from his pocket.

“ ‘Any employee who feels that he has been unjustly treated or subjected to any unfair conditions, has the right of appeal to the General Superintendent and the higher officials of the Company, provided he shall first seek to have the matter adjusted by conference, in person or through his regularly elected representative, with the foreman or the Employment Department.

“ ‘Before such appeal shall be taken to any official not located at the Plant it shall first be considered in a joint conference composed of the Employees’ Representatives in the Division affected, and an equal number of Representatives of the Company. In case such conference fails to agree unanimously as to the fair adjustment, an appeal may be made to the Executive Council at the Works, or in case such a Council has not been organized, to a conference composed of all of the Employees’ Representatives at the Works together with an equal number of Company Representatives.’

“This industrial representation plan called for at least four joint conferences between the representatives of the employees and those of the management. In no case was it allowed to have the number of representatives of the management exceed those of the employees.

"During the first twelve months in which the plan was in operation, eighty joint conferences were held between the workers and the management. During these conferences one hundred and nineteen different important topics were discussed and amicably settled by the employees' and management representatives. These topics were divided as follows:

"Wages, 38 per cent.; working conditions, 10 per cent.; promotions and discharges, 9 per cent.; hours, 8.5 per cent.; methods of wage payments, 8 per cent.; industrial representation plan, 8.5 per cent.; sanitation, housing and social work, 9 per cent.; and miscellaneous subjects, 9 per cent.

"The wage decisions in which the wage earners themselves participated increased the annual pay roll of the company by approximately \$5,000,000.

"You may say," Struthers continued, "that this wage increase might have been granted, representation plan or not, but the fact remains that with the workers concurring in action of this sort, you not only make the increase on a saner and truer basis, but you avoid the harrowing bickering and misunderstanding that always follow demands of this nature.

"William Filene & Sons Company of Boston has adopted a representation plan which is different from all of these I have explained. The whole working force of the company are members of an organization known as the Filene Coöperative Association. The purpose of the association is to prevent the enforce-

ment by the management of unjust rules affecting the discipline and working conditions of the employees; to prevent unjust discharges or removals of employees; to inaugurate, when needed, new rules affecting the employees, and to conduct the social and so-called welfare activities of the store with the coöperation of the management.

“The employees make their voice heard both in mass meetings of all the members of the association and through their elected representatives who form company Council. This Council, by the way, differs from the others I have described in that it consists only of members of the employee body elected by the employees.

“Changes in the administration of the store may be inaugurated on the part of the employees in one of two ways. The members of the association may gather in mass meeting and vote on the subject under consideration. If two-thirds vote in favor of it, it becomes at once operative. The second method is limited to the votes in the Council. If five-sixths of the members of this body vote in favor of a rule, it goes into effect at the close of the week unless vetoed in the interim by the General Manager, the President, or Board of Managers of the Corporation. In the event of such a veto the subject may be referred to a vote of the mass of the employees and if two-thirds vote in its favor, it will make the proposed change a law.

"The plan is most comparable to our system of Federal Government. The Council may be compared to the House of Representatives and the Board of Managers to the Senate. A law may find its inception in either body. The President of the company may appoint an administrative committee which is comparable to the national cabinet. Committees are elected by the whole association to study and report matters relating to their welfare. One of the most important of these committees is the Arbitration Board consisting of twelve members, one representing each section of the store, and a chairman appointed from the Council by the President. It is interesting to know that the decisions made in matters that have come up for discussion have been about equally divided in favor between the employees and the management."

Struthers paused for a moment, then continued.

"The past few years," he said, "have seen a great extension of this movement toward giving the employee a voice in management. Some organizations have adopted one form of representation; others a second, still others a third. Each according to its own needs. On April 21, 1919, the president of the International Paper Company issued a statement which is important in that it shows the present trend of thought among progressive employers. This is what he said." Struthers took out a sheet of typewritten matter and read aloud:

"This company believes it to be desirable that some

permanent authority be created to study, deal with and administer matters and conditions, generally known as industrial relations, which means and includes general relations between employees and employers, standards of wages and employment, proper classification of occupations, improving living and working conditions, in plants and localities, and the elimination of industrial accidents, as well as methods of promoting harmonious relation between employers and employees concerned, to apply to the industry generally.

“To effect such purposes, Committees of Representatives of Paper Manufacturing Companies and Employees should be created for the purpose of studying such subjects, and recommending plans and methods of application or administration of same. Such Committees to make formal report to the Companies and Employees, or as many of the parties concerned as are willing to join in such effort. It being understood each Manufacturing Company, joining in said proposal, is pledged to coöperate with, and provide, this Committee such data or information as may be necessary to carry out the foregoing.

“This Company intends, in any event, to continue and enlarge its activities, in this general direction, whether or not other Companies join in the proposal, or such Committee is formed to the end that both the Company and Employees may have more complete knowledge of the conditions of each other, that the

Employees may have a larger and continually increasing interest in, and determination of, the questions that affect their employment, and the spirit of mutual coöperation be enlarged to the fullest extent.' ”

Struthers looked up from the paper before him. “I could go on indefinitely giving you examples of this new attitude toward labor,” he said. “It exists; it is alive; and its importance cannot be gainsaid. There are at least twenty other organizations that are today working under an employee representation plan. The Phelps-Dodge Corporation is one of them; the Procter & Gamble Company is another; the Smith & Wesson Company, the General Electric people and the Goodyear Rubber Company are still others. Most of these, it is true, are in the experiment stage, but the important fact to be observed is this one—these people appreciate that an experiment of this sort is necessary.

“Perhaps the strongest thing that can be said in the favor of the adoption of such a plan is that the labor agitators are against it. Why? For the simple reason that it leaves them without a bone to pick. It takes from them their jobs. Just as soon as you create a medium within your own plant for proper arbitration of matters that are peculiar to your plant, the need for external control and arbitration by labor groups ceases. If this form of shop organization were inaugurated out of sense of real justice and coöperation and allowed to grow in a healthy manner, there

is not a doubt in my mind but that it would in time supersede the trade unions, which have, to a great measure, outgrown their usefulness. It may be, of course, that in time the various councils within a plant may form associations with councils in other plants. That would not be invaluable in that it would result in a standardization of conditions that make for the happiness of the workers. An employer of labor need fear nothing from such associations if he is honestly interested in inaugurating the most progressive employment reforms. Having been fair and aboveboard with his men, he knows that they will ask nothing which is not directed to the ultimate welfare of the plant. Which means their welfare and yours, Hardwick.

"The biggest thing, to my mind, that grows out of such an arrangement is the closer understanding and coöperation between the men and the management. It makes for free interchange of constructive ideas. Hurley once confessed to me that he has never of his accord gone into your office for any other purpose than to voice a demand for more wages, a demand that had the possibility of a threat of a strike in it in the event that it was not granted. At the same time, I think you will confess that in the past you never called him to your office except to demand explanation for let-downs in production or increase in labor turnovers. Or similar things. What I am driving at is that you two people were not in the habit

of meeting to discuss anything amicably; it was always for the purpose of browbeating each other, each in his own way. Both of you have the elements of strength within you and yet instead of applying those elements toward creating something fine and worthwhile you have applied them toward something vile and worthless. I know that sounds very strong, but, to save my soul, I can't see where this festering enmity between two people who are interested in the same thing and are working toward the same goal is anything but vile and worthless.

"Lately you have discovered that Hurley has something very valuable behind that stolid front of his. You are both having a good deal of fun playing about with it. Neither of you is yet willing to own up and concede the powers of the other. Very well. Let personal matters take their own course. But, Hardwick, have you stopped to consider that Hurley is only one of the men in the plant and that there are a good many others whose constructive minds are waiting to be tapped? Get to know these men and let them get to know you. You may all find that under the blackness of the pot and the kettle there may be some very precious metal. Clear away the blackness and the soot, old man, and discover what it is you have below. It is up to you to make the first move. And what is more important, it is up to you to make it soon. Don't wait until it is forced upon you. Just as soon as that happens the whole thing loses in value. Sledge ham-

mer methods do not work in creating warm human relationships. And the relationships must be warm and human if they are to lead to the happiness of the men concerned."

CHAPTER ELEVEN

HURLEY DECIDES TO STAY

"HURLEY," Struthers asked, as the two men were sitting together over the New York evening paper, "why is it you hate Swedes? When I first came here Mrs. Smith down the road warned me that you wouldn't take me in if I were one. What's behind that? Just natural, unfounded prejudice or some good reason?"

Hurley glowered behind his paper for a few minutes, then dropped the sheet. His eyes were stern as they met Struthers'. Struthers noticed their expression.

"Never mind speaking about that if you'd rather not," he said. "I thought it was just some fool idea. That's all."

Hurley sat silent for a few moments longer. Then he cleared his throat.

"It's all right, Struthers," he said. "I don't mind telling you. I do hate Swedes. Worse than Hell. And I've good reason to. They played me a very nasty trick once. The sort of trick that changes the whole run of a man's life.

"Way back when I was a youngster of twenty-two

I was shift boss at a mine. I had a whole slew of Swedes working under me. I ran them hard, heaven knows, but I got results. Better than any other boss in the works. With only one exception perhaps. That was a boy just as old as me. Jimmy Donlin. Jimmy and I were chums. We were both working for the money that was in it. We were going to school with it when we had enough. Engineering school. There was a bonus offered to the shift boss who'd turn out the biggest load of ore. Jimmy and I were working for that bonus. It wouldn't have made any difference who got it. We would have waited for each other. Well, those Swedes knew about this.

"There was no love lost between them and me ever; we just didn't understand each other. They didn't like the way I did things. Maybe I didn't do them right. Maybe I didn't. But I didn't like the way they did things either. When a man hired out to use his pick for a certain number of hours a day, it seemed to me that it was his business to use his pick that number of hours. We were getting close to the end of the race, Jimmy and I in the lead. It was then those men got us. Got us where we couldn't move. The men in Jimmy's section and mine struck. Wouldn't touch a tool. Just simply walked out and rushed in a crowd to the town hangout. Got roaring, howling drunk. Jim and I, we couldn't give up the thing that way, without a fight. What's more we were young and hot-blooded. We followed the men to the

saloon and tried to round them up. It was then the thing happened. Jim was shot. Dead. Fell down like a log. A dead log." Hurley got up from his chair and began pacing up and down the room.

"I guess that's all there is to tell," he finally said. "I did some shooting myself and cleared out. Never did what I wanted to. Couldn't, that's all. Just couldn't. And why? Because a Swede, damn him, got Jimmy. That's all. Now you know. And now suppose we change the subject."

"Suppose we don't, Hurley," Struthers replied, after a few moments. "I will if you want me to, but suppose we take up the impersonal features of this affair."

"What do you mean by impersonal features?" Hurley asked crisply. "There was nothing impersonal about them. They were all damn personal. They meant everything in the world to me."

"That's right. I agree with you there. And because they did, you lost sight of everything else, of human values, of human rights, just as long as the sound of the pick kept sounding in your ears. It's funny, isn't it, how music of that sort gets you? Especially when it is singing a song that's dedicated to you. Funny, isn't it, Hurley, and yet how soon do you forget the sweetness of the song when it's tuned to the key of some other man's endeavors? However, let's not go into that. The point I am driving at is that you might have prevented bloodshed and created a career if you had used some ordinary horse sense.

Might have, I say, if you had gone to those men and explained the situation and told them what depended on it. The chances are that they would have listened to you."

Hurley pulled the pipe out of his mouth impatiently. "The chances are—Hell," he said. "You talk like little Lord Fauntleroy. I was dealing with Swedes, man, Swedes. Do you know how thick they can be, if they grow thick? Besides, Struthers, where is all this leading to? The thing's dead and gone. What's the use of chewing over it?"

"Just this, Hurley. You may have to sit with a Swede on some sort of common council. I mean that Mr. Hardwick may adopt some plan whereby the men may have a voice in the running of the plant. He said something about it to-day. He mentioned you and Svenson as two probable members. That's what put me on the subject of Swedes."

Hurley leaned forward.

"You say the men will be given a voice in the running of the plant? Ha! Good joke that."

Struthers made no comment on the exclamation. After a while Hurley ejaculated the word, "How?"

"Through shop committees and works councils," Struthers replied. "Each shop will probably have its committee made up of representatives of the men and the foremen. These will arrange and discuss the works of the shop. Together with these, you will have a works council made up of all the shop com-

mittee representatives. These will take care of matters pertaining to the whole plant. They will also act as a court of appeals for cases that cannot be settled by the shop committee. Still higher than the works council there will be a board of arbitration made up of a select few of the representatives of the men and the management. Mr. Hardwick will, of course, be the head of all this."

Hurley bit his lower lip in thought for a moment. Then he spoke.

"Repeat that again, will you? The arrangement, I mean."

Struthers did as he was told. Hurley listened intently. There was a pause when Struthers finished. Hurley kept smoking fiercely at his pipe. After a while he impatiently removed the pipe-stem between his teeth.

"It's all right, Struthers," he said. "It's all right. But where is it going to lead? It sounds all right and will look all right on paper, but as far as I can see that's where it is going to end. You mean well and the boss means well, I guess, but he won't ever give up his rights. He won't ever stop being the boss."

"Well, why should he?" Struthers asked. "It's not what he will give up that counts, it's what you will add. There's no reason in the wide world why he should give up being the boss and nobody ought to understand that better than you, but there is every reason why the men should have the right and the

power to have a voice in those matters which concern them."

"Sure. The things that concern them. That's a very elastic sort of arrangement. The things that concern them. Come, man, be sensible. I know what you are trying to do and I can see now that Hardwick is not a bad sort after all—what he did for Larry proved that—but when it comes to talking about the men having a voice in the things that concern them, it sounds like nothing to me. Everything concerns them. Do you hear, everything? And Hardwick will not let them have a say-so into everything. Come, man, there is no need to sugar-coat things for me. Be honest. Please. You always have been."

"Hurley, will you ever cease doubting the value of everything?" Struthers asked. "Will you ever cease being the skeptic? What you say is true to a degree. The men will not have a voice in the decision of everything, because they do not know the things that enter into the decision of everything. You have made yourself familiar with the safety methods. It is there that your voice is important. A man in the foundries knows all about the rate of tonnage and waste in his department. It is in the discussion of that subject that he is important. Still another can talk intelligently about methods of welding. It is there that he ranks highest. Each of you and all of you have something definite to offer along these various lines. But what, Hurley, do you know about shipping costs

and export costs, and rates of exchange and foreign tariffs? What does the man in the foundry know about that? And the man in the welding department? Hardwick has made himself an expert along these questions; they control the manipulation of the whole plant and it is the only sensible and the scientific thing to do to leave those matters to him. He can explain situations to you and tell you their effects on the production of the plant, but when it comes to making a decision about taking or leaving orders, and the prices and the conditions of shipment, it seems to me that is where he is the sole judge.

"A man I knew used to say to me that you can't trust a stick that has an inch missing to measure a full yard. Well, you can't. And you can't trust a rule that's only eleven inches long to give you a foot measure. What can you do, then? Go to the man who has the stick that will give you the full number of inches. The men in the shops can give just so much toward the management of the plant but they can't give all.

"It is fair and honest to let them go to the extent that they can go; to the extent that their suggestions will tend to make the plant, which is their plant, as well as Hardwick's, more productive and more efficient, but it would be insane to let them dabble in those things of which they know nothing. I grant they may in time learn to give expert advice in all matters pertaining to the management of the plant, but, until

they do, it is rather foolish of you to scoff at the idea of there being a limit put to those matters to-day.

"Besides, Hurley, don't forget that, after all, the plant belongs to Hardwick. You can't get away from the existence of ownership. He is not interested in any wild-cat scheme of abdicating his rights; he is interested in the sane idea of getting the coöperation of the men whose livelihood depends on the running of the plant by giving them a voice in those matters which govern the rise or fall of production. And the rise and fall of production depend, above all, on the happiness of the men in their employment. On their health for one thing, on the safety conditions for another, on the hours of labor for a third, on the wages for a fourth. Surely it must seem important to you to have the men given a voice in those things. Surely you can't keep hiding your head in the ground and refuse to see the value of such reforms.

"Great Scott, Hurley," Struthers continued, as Hurley sat unmoved, "do you mean to say that it means nothing to you to be able to avert bickerings and grumbles and talks of strikes by meeting in open council and discussing these things like human beings instead of fighting them out dumbly like inarticulate animals? Do you mean to say that you'd rather go on along the old way of misunderstanding and antagonism than enter into something that will give you the power to create a new and cleaner relationship? Man

alive, what have you been demanding all these years if it wasn't that?"

"It was that," Hurley replied slowly, "it was that, but now that it's here, well, I can't help but wonder how it will work out. It's something new and, Struthers, I am afraid of it. Afraid of how it's going to work out. Afraid that it's a shell offered for the substance. Afraid that years of habit can't be changed overnight. Can't you see what's worrying me, man?" he asked, his voice suddenly growing thick.

"Indeed I can," Struthers answered. "It's the fear of the unknown on the one hand, and the fear of being hoodwinked on the other. But you've got to give the thing a trial before you condemn it. You can't get anywhere unless you experiment with an open mind. You make up your mind that the thing is a fake and a farce, and unconsciously or consciously you'll turn all your efforts to making it that. On the other hand, you go to it with the idea that herein lies the solution to labor differences, and it's an even bet that you're going to turn all your powers toward making it an instrument of that caliber.

"You want better homes, cleaner streets, higher educational opportunities, healthier working surroundings. Here you are. Use the tools that are given you and create these things. The very fact that the power to handle these tools will be given you shows that the man on top is willing to see you use

them. He wants you to use them. He is just as sick of the old relationship as you are. He is just as weary of being considered as nothing but a driving power as you are of being considered a productive power. You are both human beings. It is up to both of you to become constructively cognizant of that fact. Not until then shall we be able to substitute the new relationships for the old. Not until then, Hurley, and it is up to you and the men you represent to hasten that time."

The two men remained silent after Struthers had finished speaking. They sat there for a long time, each man puffing at his own pipe; each man busy with his own thoughts. It was Hurley who finally broke the silence with the words:

"I have been helping Mr. Hardwick with a pension plan."

"What do you think of it?" came the unstartled answer.

"It's all right."

Again the men subsided into silence. This time it was Struthers who spoke first.

"Hurley, there's something I want to say to you. If you're unhappy here and want to get away, I think I can manage to find a hole for you in some other place. In a bigger place. With conditions better than they are here to-day. With better opportunities, maybe. I never could see the use of staying in an environment where you aren't happy. If you want to clear

out, I can help you. Hardwick will understand when I explain to him."

Hurley had taken his pipe from between his teeth when Struthers had begun to speak and had neglected to replace it. He sat listening attentively. A frown gathered between his eyes. He sat staring at the wall in front of him for some moments after Struthers had finished.

"Thank you for that, Struthers," he finally said. "You're a white man for telling me, but I'll stay here. If things are going to happen I want to be here at the happening. If you had said that to me four months ago, I should have packed my kit and baggage and gone. I should have been mighty glad to go. But there's work to be done here now, and I want to have a hand in the doing of it. Besides," he added, after a short pause, "I am helping Mr. Hardwick with some plans and I don't want to leave him. No, Struthers, I guess I'll stay right here."

Struthers reached across the table and extended his hand to Hurley. As the latter grasped it, he said very quietly:

"Good work, Hurley. I am mighty glad to hear you say that." There was a little embarrassed pause after this momentary show of feeling. Struthers broke it by self-consciously clearing his throat.

"Oh, by the way, Hurley, there is something else that I wanted to tell you. I thought you might want to know."

Before Struthers had a chance to go ahead, Hurley broke in with the words:

"You're going away. That's it, isn't it?" As Struthers nodded his head in the affirmative, Hurley went on. "I knew it. I knew you couldn't stay here forever. Well, man, let me tell you that it was you who has kept my head above water. Aye, mine and Hardwick's too. Things might have happened here; things different from the ones that are happening and I might have been sorry for their happening. Or else," he continued with a wry smile, "I might not have been sorry, because dead men feel no sorrow. It's been good to know you, Struthers, better than you know."

"And it's been good to know you," Struthers replied as their hands again met in a firm clasp.

CHAPTER TWELVE

HARDWICK FALLS IN LINE

HARDWICK was seated at his desk in his office, busily drawing up plans. "Shop foreman, department manager, general manager," his lips formed the words as he placed them in the squares marked "shop committee," "department committee," "works council." A knock at the door made him raise his head.

"Come in," he called.

Struthers entered. He was dressed in a good suit of street clothes. Hardwick looked at him in surprise. His face broke out into a smile.

"You're not going courting, are you? With those clothes I mean. Or, or——" the smile gave way to a look of serious concern. "Struthers, you're not going away?" he exclaimed. "Not now?"

Struthers sat down at the opposite side of the desk. He fingered his hat nervously.

"I am going away, Hardwick. I've got to. I've been here for more than five months now. It's a long time for me to be roosting in one place. I've got to be going. I've got to keep moving. I've done all I could here; I mean I've told you what I know;

it's up to you to do the rest. You don't really need me any more."

"Don't talk tommyrot," Hardwick interrupted impatiently. "Why, Struthers, man, you can't go. We're just starting things here. We're just starting the things that mean so much to you. Oh, come on, you were fooling when you said that. You come on and move your things up to my place. You don't have to live down at Hurley's any more. You'll live up there and I'll have another desk put into this office. I need you, Struthers, and you can't go. I mean I don't want you to go."

Struthers smiled whimsically across at the man opposite him. His face grew suffused with a blush that gave him greatly the appearance of a small boy.

"It's no use, Steve. I'm going. I'll probably turn back here some day soon. You know. Bad penny affair. But I can't stick. I can't. That's what makes you so much the better man. Your power to hold on to one job and make it grow. Your power to build things. To build things that last.

"I," Struthers laughed shortly, "I'm a pretty poor sort of a builder. As a matter of fact, I am not a builder. Maybe, if you're very kind to me, you can call me a sower. Just a sower, remember, and not even a planter. I don't cultivate things, Steve, I can't. I just drop seeds. The only thing to my credit is that I don't drop them wildly. I pick my ground. And I give the best I have to offer. But apart from that,

bah, I guess, I'm not much use. I just want to keep moving."

"Don't talk like an ass, Peter, old boy." Unconsciously the two men had reverted to the names that they had called each other in the old days. "Don't talk like an ass, Peter," Hardwick repeated. "Not much use! Good heavens, man, don't you know what you have done for me and for Hurley and for every damn thing connected with this place? Not much use! I like that! I can understand your going, but I'll be hanged if I'll let you say you're not much use."

"All right, old scout," came Struthers' half-choked reply. "All right. We'll let it go at that. Only, don't let's get explosive over it. Just as long as we understand each other, it's all right."

The two men sat in silence.

"Steve," Struthers said at last, "I'm going now, but I shall probably be back. In a year anyway. Will you—will you have things done here?"

"I will," came the quiet answer.

"Good." There was another pause.

"Steve, there's something more I want to tell you. I might as well warn you. Things may not go smoothly at first. They probably will not. Don't get impatient. Give them a chance to grow. You won't get the thing you're after right immediately after you have inaugurated the reforms. You'll have to give things a chance to mellow. You'll have to let them find themselves.

"It'll be like putting on a good performance. All the different things about which we have spoken together are the props and the setting for the play. The health work is one prop, and the educational work is another, and the housing—don't forget the housing, Steve—is still another. And the education and profit-sharing and representation. All of them are the props and setting for the biggest performance that has ever been staged. The one of coöperation in industry. Or synonymously, the one of industrial success. But, old scout, there won't be anything to your play if the human factor is forgotten. The props won't make it a success nor will the setting. You mustn't forget your actors. And you mustn't forget that they must work together. That a slip on the part of one of them will knock the whole thing to pieces. You've got to make them understand that. They won't, while they're rehearsing, Steve. Each one of them will probably want to hold the center of the stage at the very beginning. New actors always do that. And they'll probably squabble over the importance and the emphasis of a line. Expect that. Unless you do, the thing will break your spirit. Don't let it do that. In time, they will get to know how their parts fit in. In time they will know when to respond to their cues. Only be patient and explain. It won't take them very long before they will understand that the performance may be made a beautiful thing and that it is within their power to make it a

beautiful thing. The more considerate and patient you are, the sooner they will arrive at that understanding. Don't be satisfied until you have created a work of art, Steve. Don't be satisfied with a sloppy performance. Round out the corners, plug up the holes and clean up the *débris*. By which I mean, let there be nothing wanting in the relationship between you and the men who are working with you. Make it fine, Steve, make it worthwhile. Don't let it just be stage props.

"Those other organizations that I have mentioned from time to time, all of them were valuable in that they illustrated the point I was trying to make. All of them have inaugurated the reform about which I was speaking. But, Steve, some of them have stopped at the inauguration. In time, perhaps, they will come to the point where they will understand that more is necessary than the props they have installed. Not that the props are valueless. Without them you can't go ahead. That is the first move. That is the move that creates on the part of the men a feeling of pleased excitement and anticipation. Don't kill that feeling of excitement and don't disappoint the anticipation. You create a spirit of ineffectualism if you do. The director of the plant feels that he has taken a white elephant upon himself in introducing the reform, whatever it is; the men feel that there is something wanting in them if they can't respond to the advances made toward them. What happens? You

get an impotent, irksome, dissatisfied sort of feeling and the thing is pronounced a failure. Don't make that mistake, Steve. If you start the thing, go all the way. Don't be satisfied with the props alone.

"The second move is, to bring the men upon the stage, to show them what the props mean and to go into immediate rehearsal. That move, unfortunately, has been omitted by a good number of those men who have been farsighted enough to see the need of new staging. They have been sadly shortsighted, when it came to a recognition of the necessity of using that staging.

"And, Steve, whatever you do be honest with yourself and the men all the time. Understand your shortcomings and understand theirs. Never forget that you are a human being, dealing with human beings, and that the whole mass of you is made of individuals who are not infallible. Expect bumps and jars and misunderstandings. They will surely come your way. Only don't let them discountenance you for any length of time."

Struthers stopped. "That's all, I guess," he said. The two men gazed at each other in silence. What they read in each other's face satisfied them both. Each man inwardly gave praise for the friendship of the other.

Struthers was the first to speak.

"Talking as usual," he laughed. "Sob stuff, this time."

